

The Effect of Ethnocentrism and Patriotism on Consumer Buying Intention

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Abstract—This paper investigates the effects of ethnocentrism and patriotism on consumer buying intention of Malaysian Car. The result shows that there is no relationship between ethnocentrism and consumer buying intentions of Malaysian car. However the study proved that patriotism, attitude and subjective norms are positively related to consumer buying intention of Malaysian Cars. This study provides guides to marketers as well as policy makers on the current state of ethnocentrism and patriotism among Malaysian. Promotional campaign should be emphasis to increase ethnocentrism and patriotism among Malaysian as it will effects consumer buying intention of Malaysian made products and services.

Keywords—Ethnocentrism, Patriotism, Buying Intention, Malaysian Cars.

I. INTRODUCTION

MALAYSIA starts producing their own cars, Proton in 1984 with the commencement of the National Car Project, the second national car company, Perodua was set up eight years after that. Nowadays, Proton and Perodua are among the famous car brand among Malaysians. Purchasing a local made product is one way to show their ethnocentrism and patriotism. Balabis et al. (2001); Albarq and Mat (2007); and Sharma et. al. (1995), proved that there is a positive relationship between consumer ethnocentrism and patriotism. While, another study by Balabis et al. (2001) showed that the positive relationship vary from culture to culture. Kamariah et. al., (2015) showed that Malaysian consumers scored high in ethnocentrism and patriotism. It briefly explains that Malaysian has a high conscious in supporting the development of the country through purchasing domestic product, in this context is the national cars.

In the era of globalization, many companies are seeking to expand their market globally. The tough competition will require the company to come out with a solid strategy to face the competition in the international arena. In some countries, domestic consumers are more ethnocentric and patriotic where they prefer local products as compared to imported products, as to show their love to the country. But in some instances the consumer might forgo their ethnocentrism and patriotism to get the best value of their money. The availability of choice might change the consumers mind. Thus, in Malaysian case although Malaysia are producing

their own national car Proton and Perodua, there are quite a number of Malaysian prefers to buy imported cars as compared to National cars. The major question arises are, how ethnocentrism and patriotism affect buying intention of Malaysian cars among Malaysian?

II. THEORETICAL FRAMEWORK

Ethnocentrism and patriotism behavior can be promoted to the citizen though various campaign, most of country in the world had their own campaign, in USA for example, their citizens are proud to buy American Products. In Malaysian the campaign “Buy Malaysian Goods” starts in 1997 to remind a staunch ethnocentric consumer and to be patriotic when purchasing product and services (Kamariah et al., 2015). The purpose of this campaign is to develop the consumers’ intention of buying domestically produce goods. Intention reflects future behavior (Alam et al., 2011). Based on Rezvani et al. (2013), purchase intention refers to an act of making a decision that shows a person’s manner in terms of particular products.

The factors that capture the willingness of peoples to perform a behavior are called behavioral intentions (Ajzen, 1991). There is a theory that used to explain the consumers’ behavior to predict their intention. The theory is called Theory Planned Behavior (TPB). This theory model was developed by Ajzen (1991), which is an extension of the theory of reasoned action (TRA) (Ajzen, 1985, 1991). This theory stated that a person’s action is determined by behavioral intentions, which in turn are influenced by an attitude toward the behavior, subjective norms, and perceived behavioral intention. One of the limitations of TRA is that it never takes perceived behavior control into account (Alam & Sayuti, 2011).

The theory of planned behavior explains an individual’s performance of a certain behavior is determined by people’s intention to perform certain behaviors (Alam et al., 2011). Finally, the study from Rezvani et al. (2012) concluded that there are many factors that have an impact on consumer purchasing intention.

III. LITERATURE REVIEW

Malaysians have strong bonding with domestic product and prefer to buy local product compared to foreign product (Kamariah et al., 2015). While the proportion for purchasing domestic cars by the Americans and the French is 50% to 60% (Rezvani et al., 2012), the strong sentiment among Malaysian to support the domestic products could be observed

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on the road when the National cars like Proton and Perodua are the best-selling passenger cars compared to foreign cars. It explains the positive impact of patriotism on ethnocentrism. A study from Kamariah et al. (2015) showed that Malaysian consumers scored high in ethnocentrism and patriotism while a researches have also shown that Malaysians have a high tendency to local foods in addition to domestic cars and computers (Othman, et al., 2008). Thus, the literature suggested that consumers' ethnocentric tendencies depend on the degree of the development of a country (Renko, et al., 2012).

A study from Vasella et al (2010) found that the degree of consumer ethnocentrism varies between individuals according to demographic and economic factors. The stronger and individual's consumer ethnocentrism, the more likely one is to own a domestic made automobile and/or intend to purchase a domestic made automobile. Therefore, it is assumed that ownership of a foreign made car is a way of demonstrating a lack of consumer ethnocentrism.

The general concept of ethnocentrism was first introduced in 1906 by a sociologist Wiliam Sumner. Consumer ethnocentrism has a direct and negative impact on consumers' purchase intention toward foreign products due to a result of care and affection for own country and fear of adverse consequences because of high rates of import of foreign products that could cause serious problems for local economic development (Renko et al., 2012). However the results were different depending on the characteristics of consumers and countries. Many other studies have examined the impact of consumer ethnocentric tendencies on purchase intentions (Yelkur et.al., 2006; Chrysochoidis et.al., 2007; Nguyen, et.al., 2008; Evanschitzky, et.al., 2008; Ranjbairn, et.al., 2011).

Beside ethnocentrism, Kamariah, et al. (2015) found that Patriotism is one of the direct drivers of actual purchase behavior. The concept of patriotism had been demonstrated in political science, literature and international business (Rezvani, et.al., 2012). This concept concluded that patriotism is an emotional feeling that people have about their own country, and that it does not mean that they ignore other countries. The relationship between consumer ethnocentrism and patriotism has been established. Research has shown both a positive relationship varying from culture to culture (Vassella, et.al., 2010) and it is a straight relationship with consumers' insight about purchase intention (Rezvani, et.al., 2012).

IV. RESEARCH MODEL AND HYPOTHESIS

The research model used in this article has shown in Figure 1. Consumers' behavior was driven by ethnocentrism and patriotism (Kamariah, et.al., 2015; Renko, et.al., 2012), while consumer behavior can predict purchase intention through consumers' attitude, subjective norm and perceived behavioral control, based on theory planned behaviors. The diagram showed a relationship between independent variable (Ethnocentrism, Patriotism, Attitude, Subjective Norm and

Perceived Behavioral Control) that affect the dependent variable (Buying intention of Malaysian Car).

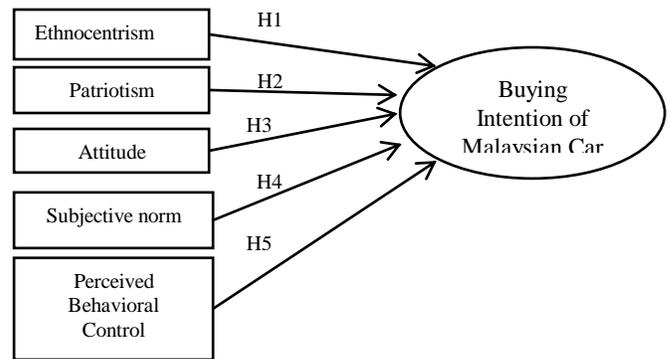


Fig. 1. Conceptual Framework For Buying Intention Of Malaysian Car.

Ethnocentrism and Patriotism have different consequences on consumer behavior. Ethnocentrism tends to overestimate and support domestic products and at the same time underestimate and avoiding foreign products. The ethnocentric consumer believes that purchasing foreign products will hit the domestic economy. On the other hand, Patriotism tends to express the love and support toward the consumer's own nation, without having the defensive feeling toward another country. Therefore, it can be assumed that differentiating these concepts is important because consumer who show high levels of patriotism do not necessarily oppose other countries or refuse to purchase foreign products (Vassella, et al., 2010).

Thus, it is hypothesizes that:

H1: Consumer ethnocentrism has a positive effect on buying intention of Malaysian Car.

H2: Patriotism has a positive effect on buying intention of Malaysian Car.

The theory of planned behavior explains that the consumers' intention to perform their behavior determine his or her performance of a certain behavior (Alam & Sayuti, 2011). For this theory, attitude toward the target behavior and subjective norms about engaging in the behavior are thought to influence intention, while this theory also includes perceived behavior control that over engaging in the behavior as a factor influencing intention and purchasing behavior. Therefore, it is hypothesized that;

H3: Attitude has a positive effect on buying intention of Malaysian Car.

H4: Subjective norms have a positive effect on buying intention of Malaysian Car.

H5: Perceived Behavioral Control has a positive effect on buying intention of Malaysian Car

V. METHODOLOGY

Data for this article was gathered by primary data collection method. The sample of the survey included 150 respondents. Table 1 shows the socio-economic background of the respondents. From the table, we can see more female

(52%) than male (48%). The respondents' occupation levels are from student, executive/managerial, professional and other which the highest is another occupational level (34.6%). The sample contains a representation of the whole population in Malaysia as it consists of Malay (74.7%), Chinese (12%) and Indian (13.3%). The highest respondents were from the age group of 31-35 years old (37.3%). The majority of the respondents were income RM2,100 -RM3,000 (44%).

TABLE I
SOCIO-ECONOMIC BACKGROUND OF THE RESPONDENTS

Demographics	Categories	Frequency	Percentage
Age	18-24	16	10.7%
	25-30	40	26.7%
	31-35	56	37.3%
	36-45	28	18.7%
	46 & Above	10	6.7%
Gender	Male	78	52%
	Female	72	48%
Occupation	Professional	19	12.7%
	Student	33	22%
	Executive/ Managerial Level	46	30.7%
	Other	52	34.6%
Income	Less than RM1,000	12	8%
	RM1,100-RM2,000	42	28%
	RM2,100-RM3,000	66	44%
	>RM3,000	30	20%
Race	Chinese	18	12%
	Malay	112	74.7%
	Indian	20	13.3%
	Others	-	-

A. Measures

All items intended to measure the variables in this study were adopted from previously validated instruments. The survey conducted by Soib (2015) used five-item version of the original scale that utilized to measure consumer. The construct of attitude, subjective norm, perceived behavioral control and behavioral intention were measured with scales from Alam and Sayuti (2011), modified so that the focus was on the Malaysian car purchase intention. Ethnocentrism and patriotism were assessed with measures reported by Soib (2015) and Shimp & Sharma (1987) respectively. Again, the items were modified for Malaysian car buying intention.

All the questions used a six-point Likert scale in which 1 indicated "strongly disagree," 2 indicated "disagree," 3 indicated "somewhat disagree," 4 indicated "somewhat agree," 5 indicated "agree," and 6 indicated "strongly agree." Regression analysis was used to analyze the data.

B. Reliability

The internal reliability of the items was verified by computing the Cronbach's alpha (Nunnally, 1978). Nunnally suggested that a minimum alpha of 0.6 sufficed for early stages of research. The Cronbach's alpha estimated for attitude was 0.921, subjective norm was 0.895, perceived

behavioral control was 0.926, patriotism scale was 929, ethnocentrism is 918 and behavioral intention scale was 0.916. As the Cronbach's alpha in this study were all much higher than 0.6, the constructs were therefore deemed to have adequate reliability.

C. Hypothesis Testing

Table II presents results of a multiple regression analysis used to evaluate the strength of the proposed relationship. Five hypotheses were formulated and all the variables retain after testing the reliability. The individual hypotheses were tested using a multiple regression prediction model following the guidelines established by Hair et al., (1998) with Malaysian car purchasing intention as the dependent variable. The results obtained, as shown in Table II, revealed that H1, H3, and H4, were found to be significant in the prediction model. The results provide support for hypotheses H2, H3, and H4 that is, the relationship between patriotism on Malaysian car purchasing intention ($\beta= .178$; $p<0.001$), attitude ($\beta= .409$; $p<0.001$), subjective norm on Malaysian car purchasing intention ($\beta= .394$; $p<0.01$), and.

TABLE II
REGRESSION RESULTS

Variables	Beta	t-value	p-value
Ethnocentrism	0.067	1.537	0.125
Patriotism	0.178	4.386	**0.001
Attitude	0.409	9.078	**0.001
Subjective Norm	0.394	7.744	**0.001
Perceived Behavioural control	0.072	1.487	0.138

Notes: Significance at: * $p= 0.01$ and ** $p= 0.001$; $R^2 0.745$, adjusted $R^2 .740$; dependent variable: halal food purchasing intention

VI. DISCUSSION

Based on the findings from Soib (2015), we can conclude that all the independent variables which are patriotism, attitude and subjective norm affect the buying intention of the Malaysian car. It showed by the analysis that there is a positive relationship between patriotism and buying intention of Malaysian car. Attitude can be considered as one of the behavior that influences consumer buying intention. The research showed that consumers' attitude in Malaysia are in a positive relation with buying intention of Malaysian car. In addition, subjective norm as a general perception of something in the social environment that can influence peoples' intention was also examined in this study. The result showed that consumers' in Malaysia have a subjective norm that can influence their buying intention of Malaysian car. It was proved by the hypothesis testing that showed the positive relationships between the variables.

A study from Kamariah et al. (2013) showed that consumers will willingly buy local products if the choice is available. Consumer with high level of ethnocentrism will have more favorable attitudes towards imported product from culturally similar countries than product from culturally dissimilar countries. As a multicultural society, Malaysian are more open towards different cultures, therefore those who have experience travelling overseas are often preferred foreign made products.

Other studies on the young Malaysian customers have shown that a large segment of young customers tends to purchase domestic brand. It indicated that marketers should consider this issue as an important factor for customer evaluation and purchasing intention (Rezvani et al., 2013). While Alam et al. (2011) showed that the more favorable attitude and subjective norm with respect to a behavior, and the greater the perceived behavior control, the stronger should be an individual's intention to perform the behavior under consideration.

The intention is different from the attitude. That statement is concluded by Rezvani et al. (2012). While attitude means evaluation of products, intention is the person's motivation in the sense of his or her intention to perform the behavior.

VII. IMPLICATION OF THE FINDINGS

This paper provides information for consumers, company, marketer, Malaysian citizen and the Malaysian government. The implication of the findings can be used for the future research on consumers' behaviors. Ethnocentrism, patriotism, attitude, subjective norm and perceived behavior control was proved to effect consumer buying intention of Malaysian car.

This finding can be utilized by Malaysian national car producers, Proton and Perodua to improve their marketing strategies by considering and understanding the effects of the dependent variable on the consumer purchase intention of Malaysian made cars. Further the government should continue the 'Buy Malaysian' campaign to keep reminding Malaysian about the importance of Patriotism in their buying decision making. The support from Malaysian to buy Malaysian made product will not only support the survival of Malaysian domestic market but also will support the development of Malaysian economy.

VIII. DIRECTION OF FUTURE RESEARCH

Analysis of consumer ethnocentrism and patriotism on consumer buying intention of Malaysian Car should be further explored to understand the consumer buying decision. Further exploration on the consumer purchasing behavior especially on Malaysian made products are useful to help local producers to compete in the global marketplace. The Malaysian automobile industry has approached the maturity age of 31 years old, but yet it still struggling to win the Malaysian heart.

As a Malaysian National car producer Proton and Perodua really need the support from local consumers as the local consumer confidence will be a starting point to gain the international consumer confident. A point to ponder, patriotism and ethnocentrism alone are not the enough to win the consumers heart, the product itself will always be starting point. Therefore the understanding of consumer purchasing behavior is practically significance for Malaysian National car producer to design their marketing strategies to win the local market share.

The analysis from previous and the current research

contribute to the understanding of Malaysian car market to local as well as foreign car manufacturers and/or companies. The theory of ethnocentricity can be used by Malaysian National car as well as foreign producer to segment their market. Ethnocentrism can be a major factor of car buying intention, patriotism can be a possible resistance for Malaysian to purchase foreign car. This article therefore serves as a starting point for further research especially in on ethnocentrism and patriotism.

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