The influence of animosity, consumer ethnocentrism and country image perception on product receptivity. A survey on Italian consumers

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1. Introduction

Globalization has increased opportunities for businesses to transfer goods and services across the world. At the same time, consumers can choose among a great variety of suppliers in every product category. When markets become more extensive consumers probably rely on the country-of-origin to face an information overload, never before experienced, and to guide them in consumption choices (Bertoli and Resciniti, 2012). At the same time, consumers have different attitudes towards their home country (Kosterman and Feshbach, 1989), foreign countries in general (Shimp and Sharma, 1987; Suh and Kwon, 2002) and specific foreign nations (Jaffe and Nebenzahl, 2006). This condition has determined a growing interest in investigating beliefs towards domestic and foreign products and services as well as their influence on consumers’ purchasing behavior (Riefle and Diamantopoulos, 2009). In this context, a very large number of studies and articles has been focused on either examining domestic product biases, or consumer unwillingness to buy foreign products by analysing the effect of constructs such as consumer ethnocentrism (Shimp and Sharma, 1987), consumer nationalism (Rawwas et al., 1996) and consumer animosity (Klein et al., 1998).

However, despite the plentiful scientific production, current research seems to be still quite weak in explaining the “behavior of consumers of one country toward other countries, their firms and their products” (Crawford and Lamb, 1982: p. 859). At present, countless conflicts are taking place across the world and economic and political tensions are determining an increasing hostility towards stronger economies. For example, recent developments in the economic and financial crisis, at European level, are threatening the strength of the relationships between "weak” and economically "strong” nations, generating a renewed sense of nationalism and influencing the feelings of ethnocentrism and animosity of consumers.

Consumer ethnocentrism is a good predictor of a preference for domestic products, but it cannot adequately clarify foreign product buying behavior. Furthermore, consumer animosity, defined as “remnants of antipathy related to previous or ongoing military, political, or economic events” (Klein et al., 1998), measures a consumer’s feelings of hatred toward a specific country, but it cannot explain the general pattern of foreign product preferences and consumption across countries. Finally, research on the potential...
interactions between consumer ethnocentrism, consumer animosity, and the overarching construct of country image, is virtually nonexistent.

Addressing these gaps in the literature, the study aims to provide additional knowledge in this line of research by developing and testing an integrated model which (1) investigate the impact of consumer ethnocentrism, animosity and general country image on product beliefs, and (2) assesses how each of these constructs, and the interactions among them, affect product receptivity.

2. Theoretical background

Consumer ethnocentrism has received much attention from scholars (Moon, 2004; Saffu and Walker, 2005) and is considered a moderator of the product-country image effects. This latter area refers to the potential influences the image of a nation can exert on attitudes towards foreign products. More precisely, the product-country image (PCI) can be interpreted as a “specific” image that includes beliefs about the image of the nation as a source of national productions (Papadopoulos, 1994).

As demonstrated by Shimp and Sharma (1987), who first posited the construct of the consumer ethnocentrism, or “CET”, in some instances consumers avoid buying foreign products because it is considered morally wrong, not only because it is unpatriotic, but also because it hurts the national economy and determines the loss of jobs due to increased imports (Kaynak and Kara, 2000). Such consumers tend to distinguish between products of the in-group (home country) and out-groups (foreign countries) and, consequently, to consider foreign products’ purchases to be incorrect due to perceptions of losses to the national economy. Ethnocentric consumers show a physiological aversion to most foreign products. The construct of CET can, therefore, be considered an antecedent to “(un)willingness to buy” foreign products in general, as can animosity, but in relation to products originating in the target country of consumers’ anger.

CET is positively related to but distinct from consumer animosity. In their substantial study on the latter construct, Klein et al. (1998) established its discriminant validity from consumer ethnocentrism. This is due to the different nature of these phenomena, each of which has distinguishable antecedents and consequences. While ethnocentric consumers refuse to purchase products from any foreign country, consumers with animosity feelings may abstain from purchasing products originating in a specific foreign country which is the target of their antipathy – while at the same time considering the purchase of products from other foreign countries perfectly acceptable.

Animosity can be considered a stable construct - whether arising from consolidated historical events - or situational - if caused by local conditions or national events - or personal - related to the situations of the individual (such as the loss of work due to problems related to another country) (Jung et al., 2002; Ang et al. 2004). The main factors of the animosity can be represented by the war (war animosity), or by economic or diplomatic disagreements (economic animosity), linked to the fear of economic domination (Klein et al., 1998; Riefler and Diamantopoulos, 2007).

Research lines on consumer ethnocentrism (Sharma et al., 1995; Watson and Wright, 2000; Nguyen et al., 2008) have focused on its consequences on purchasing patterns. Researchers have analyzed different constructs such as “purchase intention” (Han, 1989), “attitudes towards buying foreign products” (Sharma et al., 1995), and “willingness to buy” domestic (Olsen et al., 1993) or foreign (Klein et al., 1998) products. The influences of
CET on outcome variables (both attitude and intention), have been verified, along with the effects of moderator and mediator variables. Empirical support for a negative relationship between CET and purchase intention of foreign products is found in studies such as Klein et al. (1998) and Suh and Kwon (2002). Olsen et al. (1993) interpreted perceived quality, empathy, cost, and responsibility as possible mediators between CET and willingness to buy imported goods. In addition to these mediators, another crucial mediator is country image. Han (1989) considered this construct as a mediator between consumer patriotism and purchase intention, and Brodowsky (1998) found empirical evidence that CET could be considered as an antecedent of country image effects on product assessments.

With reference to animosity, starting from Klein et al.’s (1998) investigation, a relevant number of subsequent studies have tried to replicate results in different contexts (Shin, 2001; Nijssen and Douglas, 2004), others attempted to widen the external validity of the construct (Shimp et al., 2004) or refine its conceptualization (Ang et al., 2004). A recent review of consumer animosity (Riefler and Diamantopoulos, 2007) has shown that measurement models applied to operationalize the construct are not consistent with its conceptual nature.

Moreover, if scholars agree with the fact that consumer ethnocentrism and animosity are distinct constructs, related to different conditions, they don’t seem to have unique interpretations on the relations between the two constructs and the country image perceptions. While some researchers emphasize the fact that ethnocentric consumers may have positive perceptions of the foreign country even if they decide not to buy due to nationalistic reasons (Shankarmahesh, 2006), others, on the contrary, maintain that ethnocentrism has a negative influence not only on intention to buy but also on how foreign products are judged. Thus, according to this latter perspective, CET induces a revised quality assessment of foreign products when compared with local ones - while animosity does not appear to impact on judgments of product quality: consumers refuse to buy a foreign product solely because of their feelings of hostility towards that country, even though they recognize its quality (Ettenson and Klein, 2005; Nakos and Hajidimitriou, 2007). Furthermore, there is also contradictory evidence about the influences exerted by consumer animosity on consumers’ judgments of product country image. Han (1989) and Johansson (1989) found that quality evaluations were influenced only by the general country image. Klein (2002) suggested that consumer animosity did not influence product quality judgments but did have a positive impact on purchase intention. By contrast, the findings of a study by Shoham et al. (2006) of the Jewish Israeli’s reactions to Palestinian intifada demonstrate that both buying intentions and quality judgments can be negatively swayed by consumer animosity (Huang et al., 2010).

The lack of a clear and comprehensive interpretation of the mutual influences between consumer ethnocentrism, animosity and country image’s components depends on the scarcity of empirical research aimed at this purpose. In fact, most of the studies focus mainly on the behavioral intentions towards foreign supply. Although several authors have emphasized the existence of a correlation between CET and animosity, few studies have confirmed their relationship. The most significant research comparing the two constructs aims to validate their influences on product beliefs and on willingness to buy foreign goods (Jiménez Torres and San Martín Gutiérrez, 2007). A recent work (Akdogan et al., 2012) has investigated consumer ethnocentrism and animosity in order to evaluate repurchase intent towards U.S. products and whether this influence is moderated by consumer loyalty. The results of this study show that consumer ethnocentrism positively affect consumer animosity and consumer loyalty moderates the relationship between CET and repurchase
intention. The hypothesized positive influence of consumer ethnocentrism on animosity has been also supported by the findings of another recent research aimed at simultaneously verifying the influence of consumer ethnocentrism, animosity, and general country image on product beliefs and product receptivity (De Nisco et al., 2012).

However, although such recent studies contribute to draw attention to the existence of significant linkages between CET, animosity and country image, on the one hand, and attitudes towards foreign goods, on the other, at present there is still a dearth of empirical research attempting to provide an overall understanding of the nature and role of these relationships. Moreover, the current tensions between nations mainly related to the financial crisis’ effects and to the uncontrolled rise of public debt (i.e. Italy, Spain, Greece) require further enquire concerning the economic consequences that may derive in terms of hostility, and even anger, towards countries which are perceived to be both economically and politically stronger.

3. The study

This study aims to extend this stream of research by examining the influence of economic animosity on consumers’ ethnocentrism, perception of foreign country image and product beliefs and receptivity. Figure 1 provides a pictorial summary of the model proposed and tested in this study. The main underlining hypothesis is that consumers’ level of economic animosity towards a foreign country has a positive effect on attitudes to prefer domestic products (ethnocentrism) and a negative effect on both their perception of the general country image and product beliefs and their receptivity towards products made in the foreign country. Moreover, we hypothesize a positive relationship between animosity and ethnocentrism and a significant positive connection between general country image, product beliefs and product receptivity. Although most of the individual hypotheses linking any two constructs in this model have been tested in previous research independently of each other, this is the first time that they are all integrated into an overall comprehensive framework.

Figure 1. Research framework and hypotheses
From the structural point of view, the model correlates five main constructs: a) the *economic animosity*, resulting from feelings of economic dominance or aggression among the population of a nation towards a hostile country (Nijssen and Douglas, 2004); b) *consumer ethnocentrism* which includes the beliefs held by consumers about the appropriateness and, indeed, morality of purchasing foreign-made products (Shimp and Sharma, 1987); c) *general country image*, defined as “a generic construct consisting of generalized images created not only by representative products but also by the degree of economic and political maturity, historical events and relationships, culture and traditions, and the degree of technological virtuosity and industrialization” (Roth and Diamantopoulos, 2009: 727); d) *product beliefs* which describe the product evaluations influenced both by country image and by predictive behavior (Elliot *et al*., 2011); e) *product receptivity*, defined as the conscious or unconscious readiness to accept foreign supply systems (Dhar and Kim, 2007).

3.1 The questionnaire

Many different methods for the measurement of country-of-origin images have been described in the current international marketing literature (Han, 1989). In order to test the proposed model an empirical study was designed to understand Italian consumers’ animosity and ethnocentrism feelings towards Germany. A questionnaire was developed to collect the data for this study, which consisted of three sections. The first section investigated the country image of Germany, the perception and the familiarity towards the German products. The second section of the questionnaire included questions to measure the economic animosity (Riefler and Diamantopoulos, 2007) and the consumer ethnocentrism (Shimp and Sharma, 1987). Moreover, this section also investigated the product receptivity towards German products. Finally, the last section identifies the main socio-demographic characteristics of the sample. The questionnaire used in this study was developed in Italian.

3.2 Data collection and the sample selection

The data for the study were collected in two public Italian universities on a sample of graduate students. Respondents were asked to rate image of Germany, since Germany's push for austerity during the euro crisis, especially towards country like Greece, Italy and Spain, is hypothesized to prompt an anti-German sentiment within the Italian population. Even if student samples put undoubted problems related to the “real” representativeness of the units of investigation - in particular as regards the nature of the phenomenon under analysis - two reflections support this choice. First, the use of graduate students’ samples is a widespread approach both in studies on animosity - as emerged from a recent review of Nes *et al.* (2012) - and in the literature on the country-of-origin effect. In this last area, past meta-analyses have found that the magnitude of results does not differ between empirical studies using student versus “representative” consumer samples (Verlegh and Steenkamp, 1999; De Nisco, 2006).

The questionnaire was preliminarily tested on a small sample and minor changes were made in the measures according to results. The survey was conducted between February and May 2013. At the end of the fieldwork, a total of 203 questionnaires were considered usable for the study and the analysis was based on these responses.
The descriptive analysis showed that the sample was equally divided by gender, although with a slight prevalence of female individuals. As expected, the largest portion of respondents were aged between 18-24 (71.9 percent) and 25-34 (28.1 percent). 51.2 percent of respondents has traveled abroad in the last two years. In terms of country familiarity, only 15 percent of the sample has visited Germany at least once in the past.

3.3 Measurement scales

Model constructs were measured using scales adapted from previous research (Table 1). Specifically, the constructs of general country image, product beliefs, and product receptivity were operationalized with scales drawn from the work of Papadopoulos et al. (2000) and Elliot, Papadopoulos and Kim (2011); economic animosity was measured through an 8-point Likert scale on the basis of research by Riefler and Diamantopoulos (2007) and Nes, Yelkur and Silkoset (2012); finally, a reduced version of the CETSCALE (Shimp and Sharma, 1987) was employed to measure consumer ethnocentrism.

Based on Anderson and Gerbing (1988), a two-stage approach was followed in which the measurement model was first confirmed and then tested. In the first stage, the internal consistency and reliability of composite measures were assessed (Table 1). The results provided adequate support to measurement choice. Cronbach’s Alpha for the five constructs ranged from 0.78 to 0.85, suggesting that the latent measures were acceptably reliable.

Table 1. Model measures and validity check

<table>
<thead>
<tr>
<th></th>
<th>Mean (Stand. Dev.)</th>
<th>Cronbach’s Alpha</th>
</tr>
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<tbody>
<tr>
<td><strong>Ethnocentrism</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Only those products that are unavailable in home country should be imported</td>
<td>4.06 (2.02)</td>
<td>0.78</td>
</tr>
<tr>
<td>It is always best to purchase national products</td>
<td>5.43 (1.90)</td>
<td></td>
</tr>
<tr>
<td>Buying Italian products helps Italian economy</td>
<td>5.65 (1.59)</td>
<td></td>
</tr>
<tr>
<td>A real Italian should always buy Italian-made products</td>
<td>3.60 (2.01)</td>
<td></td>
</tr>
<tr>
<td><strong>Economic Animosity</strong></td>
<td></td>
<td>0.83</td>
</tr>
<tr>
<td>During this economic crisis Germany is taking advantage of Italy</td>
<td>4.66 (1.78)</td>
<td></td>
</tr>
<tr>
<td>During this economic crisis Germany has exercised too much economic influence over Italy</td>
<td>5.34 (1.49)</td>
<td></td>
</tr>
<tr>
<td>Firms from Germany are doing business unfairly with Italy</td>
<td>4.11 (1.52)</td>
<td></td>
</tr>
<tr>
<td>During this crisis Germany is trying to gain economic power over Italy</td>
<td>4.89 (1.66)</td>
<td></td>
</tr>
<tr>
<td>I dislike the political strategy of Germany during this crisis</td>
<td>4.00 (1.85)</td>
<td></td>
</tr>
<tr>
<td><strong>General Country Image (Germany)</strong></td>
<td></td>
<td>0.79</td>
</tr>
<tr>
<td>Reliable people</td>
<td>4.52 (1.34)</td>
<td></td>
</tr>
<tr>
<td>High technology level</td>
<td>5.50 (1.15)</td>
<td></td>
</tr>
<tr>
<td>Advanced education level</td>
<td>5.18 (1.22)</td>
<td></td>
</tr>
<tr>
<td>High wealth</td>
<td>5.12 (1.19)</td>
<td></td>
</tr>
<tr>
<td>High quality of life</td>
<td>5.14 (1.28)</td>
<td></td>
</tr>
<tr>
<td><strong>Product Beliefs (Germany)</strong></td>
<td></td>
<td>0.83</td>
</tr>
<tr>
<td>Products made with meticulous workmanship</td>
<td>4.84 (1.22)</td>
<td></td>
</tr>
<tr>
<td>Innovative products</td>
<td>5.07 (1.24)</td>
<td></td>
</tr>
<tr>
<td>High-quality products</td>
<td>4.77 (1.38)</td>
<td></td>
</tr>
<tr>
<td>High value products</td>
<td>4.81 (1.23)</td>
<td></td>
</tr>
<tr>
<td>Durable products</td>
<td>5.01 (1.15)</td>
<td></td>
</tr>
<tr>
<td><strong>Product Receptivity (Germany)</strong></td>
<td></td>
<td>0.75</td>
</tr>
<tr>
<td>I would welcome more import of products from Germany in my country</td>
<td>3.09 (1.40)</td>
<td></td>
</tr>
<tr>
<td>I would be proud to own more products from Germany</td>
<td>2.68 (1.44)</td>
<td></td>
</tr>
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</table>
4 Analysis and results

After confirming the measurement model, the hypothesized relationships were then tested through a structural equation model, using the maximum likelihood simultaneous estimation procedure with the 8.51 version of Lisrel. Although the Chi-square value was significant ($\chi^2=319.93; \text{d.f.}=177; p<0.001$) the main indices show that data strongly fit the structural model: CFI=0.95; NNFI=0.94; RMSEA= 0.065. As shown in Table 2, while some paths are not significant they all are in the hypothesized direction of the proposed model. Namely, economic animosity towards a foreign country is positively related to consumer ethnocentrism (maximum likelihood estimate = 0.17, $t$-value = 2.00) and negatively related to product receptivity (-0.28, -3.04), providing support for $H_1$ and $H_4$. $H_2$ and $H_3$ are not supported, since animosity is not significantly related to perception of general country image and product beliefs. The empirical findings showed that a higher level of ethnocentrism has a negative effect on receptivity towards the product made in the foreign country (-0.34; 3.36), providing support to $H_7$. Moreover results from the model reported that ethnocentrism has a partially negative relationship with product beliefs (-0.11; -1.58) but is not related to a negative perception of general country image. Therefore, $H_6$ was partially supported while $H_5$ was rejected.

Turning to the relationship between general country image, product beliefs, and product receptivity, the overall pattern of results provided support to the assumption that a positive perception of a country’s general image positively influences product beliefs (0.68; 8.58), and strong support for the next step, the relationship between product beliefs and product receptivity (0.38; 2.95). These findings point to an indirect influence of country image on receptivity, through product beliefs, but not for the hypothesized direct connection between these two constructs. Therefore, the findings support $H_8$ and $H_{10}$ but not $H_9$.

Table 2. The hypothesized relationships: standardized coefficients and fit statistics

<table>
<thead>
<tr>
<th>Hypothesized Relationships</th>
<th>Standard Coefficients (t-values)</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>$H_1$ Economic Animosity - Ethnocentrism</td>
<td>0.17 (2.00)</td>
<td>Supported</td>
</tr>
<tr>
<td>$H_2$ Economic Animosity – General Country Image</td>
<td>0.03 (n.s.)</td>
<td>Not Supported</td>
</tr>
<tr>
<td>$H_3$ Economic Animosity – Product Beliefs</td>
<td>0.04 (n.s.)</td>
<td>Not Supported</td>
</tr>
<tr>
<td>$H_4$ Economic Animosity – Product Receptivity</td>
<td>-0.28 (-3.04)</td>
<td>Supported</td>
</tr>
<tr>
<td>$H_5$ Ethnocentrism – General Country Image</td>
<td>-0.03 (n.s)</td>
<td>Not Supported</td>
</tr>
<tr>
<td>$H_6$ Ethnocentrism – Product Beliefs</td>
<td>-0.11 (-1.58)</td>
<td>Partially Supported</td>
</tr>
<tr>
<td>$H_7$ Ethnocentrism – Product Receptivity</td>
<td>-0.34 (-3.36)</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H8</td>
<td>GENERAL COUNTRY IMAGE – PRODUCT BELIEFS</td>
<td>0.68 (8.58)</td>
</tr>
<tr>
<td>H9</td>
<td>GENERAL COUNTRY IMAGE – PRODUCT RECEPTIVITY</td>
<td>-0.04 (n.s.)</td>
</tr>
<tr>
<td>H10</td>
<td>PRODUCT BELIEFS – PRODUCT RECEPTIVITY</td>
<td>0.38 (2.95)</td>
</tr>
</tbody>
</table>

**Fit Statistics:**
\[
\chi^2 = 319.93 \text{ (d.f. 177; } p<0.001) \\
\text{CFI} = 0.95; \text{ AGFI} = 0.83; \text{ NNFI} = 0.94; \text{ RMSEA} = 0.065
\]

5 Conclusions and implications

At a time when more foreign products are available to growing numbers of global consumers, and more countries look to increase exports and enhance their image (Papadopoulos 2004), it seems we are also experiencing greater tensions between trading partners as the world balance continuously shifts, economies rise or fall, and debt happens. The current tensions within the EU are case in point, as citizens in debt-heavy countries (e.g., Spain, Italy, Greece) are said to be developing feelings of antipathy, and even anger, toward some of the northern countries, above all Germany, which are generally perceived not only to be richer but also to not have enough empathy for, and be willing to help, their southern neighbors. In this context, this study contributes to an in-depth analysis of the influences of economic animosity, ethnocentrism, and country image on attitudes towards foreign products. While past research has tested most of the associations posited here, this study brings the concepts together in a single integrated model to enable concurrent testing of the hypothesized relationships.

The hypothesized influence of economic animosity, positively on ethnocentrism and negatively on product receptivity, is supported. Results also support past findings (Ettenson and Klein, 2005) that animosity doesn’t influence the general country image and the product beliefs. Consumers that feel anger towards a country will favor domestic products, avoiding foreign ones even though they recognize the quality and the value of the foreign country (i.e. Germany).

Further evidence of the influence of consumer’s feelings is seen in the results of the hypothesized relationships from ethnocentrism. Here, the negative impact of ethnocentrism on general country image is not supported as well as the negative influence on product receptivity thus challenging past CET research (Shimp and Sharma, 1987; Watson and Wright, 2000). The findings seem to partially confirm that ethnocentrism negatively influences product beliefs. Ethnocentric consumers tend to negatively modify their judgments of foreign goods, but not their purchasing patterns. Therefore, a higher level of ethnocentrism does not damage the overall image of the foreign country but it only partially deteriorates the image of its products.

It appears clearly that in this case the economic animosity plays a dual role. On the one hand, it creates a direct and negative influence on attitudes towards foreign products, on the other hand it increases the ethnocentric sentiments, favoring the domestic products’ purchases.

An important comparison can be made between the findings that animosity affects product receptivity but not country image nor product beliefs, and that ethnocentrism affects product beliefs but not general country image nor receptivity. It appears that
consumers are able to address their political hostilities avoiding the purchase of products originating in a specific country and favoring the national products even if their product beliefs remain partially unchanged.

For researchers, the integration of these affective concepts in one framework provides a useful tool for measuring the impact of consumer emotions, and in particular of anger’s feelings, on buying behavior. This calls for further study, particularly to measure the influence of animosity, which by definition, is targeted at specific countries, and so must be examined in different contexts to be better understood.

For practitioners, the results are worthy of attention especially given the current financial troubles of Europe, where the tensions between economically stronger and weaker countries are no doubt influencing consumers’ feelings of economic animosity and/or ethnocentrism, and their images of each other, thereby affecting their set of beliefs and consequently the purchasing choices. Antipathy from economic and political strife may not stop foreign purchases, but “a little bit of animosity” - with its great impact on ethnocentrism sentiments - may represent an opportunity for troubled countries, which can capitalize on it to boost their domestic economy, appealing to the renewed passion for local products and national tourism destinations. On the contrary, firms from the target country of consumers’ anger have to face with new challenges that were not present - until a short time ago - when exporting products to those countries.

However, this study is limited by some factors that should be addressed in future research. First, the sample of students could not be the best target to explore political related issues. Due to the specific focus of the investigation, it might be useful to include in the sample other sections of the population. Second, the sample was selected from one region of the country which would influence the generalizibility of the results to the whole nation. Finally, Italian respondents were asked to evaluate the country-of-origin cues without using a specific product category and, consequently, results should be interpreted with caution, since there might be product or brand specific effects which haven’t been analyzed. In this perspective future research could investigate the phenomenon with reference to low involvement versus high involvement products.

References

Brodowsky G.H. (1998), The effects of country-of-origin of assembly on evaluative beliefs about automobiles and attitudes toward buying them: A comparison between high


