The Impact of Industry-Specific Consumer Ethnocentrism on the Effectiveness of Comparative Advertising

William T. Neese, wneese@troy.edu*
William Foxx, wfoxx1@troy.edu
Dianne B. Eppler, deppler@troy.edu

Abstract
Consumer ethnocentrism is an "us versus them" mentality because ethnocentric consumers consider domestic products superior to competing brands produced in another country (Josiassen 2011, Steenkamp & de Jong 2010). Consumer ethnocentrism materializes in the form of cognitive, affective, and conative personal characteristics that are known to influence purchase decisions (Sharma 2015), plus it represents a consumer's concern about the economic well-being of his or her fellow citizens (Rhiney, Arnold & Salley-Toler 2013). Comparative advertising either *directly* mentions a competing brand by name in a comparison favorable to the sponsor of that advertisement, or *indirectly* implies a competing brand by referring to the competitive group of brands without naming one in particular. Neese & Haynie (2015) found that comparative advertising can exert a significant influence on the formation of ethnocentric responses at the moment of exposure to the ad content. Although the influence of job-related covariance was not tested in their study, they conclude that U.S. consumers "expect to be able to purchase and consume whatever brands are desired without guilt of putting their fellow citizens out of work" (Neese & Haynie 2015, p. 334).

Proposition for this study: Industry-specific personal characteristics can influence consumer response to comparative advertising, a creative tactic commonly used to promote automobile brands in the United States.

Methodology

A *Qualtrics* panel was surveyed to measure the impact of job-related personal characteristics on U.S. consumers exposed to direct and indirect comparative advertising versus non-comparative advertising. Dependent hierarchy-of-effects measures (7-point semantic differential scale) include attitude toward the ad (Aad), brand beliefs (Bblfs), attitude toward the brand (Ab), and purchase intentions (PI). These measures were adopted from Neese & Haynie (2015). Shimp & Sharma's (1987) ten-item CETSCALE (CET) was used to measure the fifth dependent variable, consumer ethnocentrism (7-point Likert scale). Job-specific covariates (7-point Likert scale) were developed specifically for this study to capture ethnocentric *beliefs* (7 items), *feelings* (9 items), and *behavioral intentions* (6 items). These items are based on industry-specific information provided by the Alliance of Automobile Manufacturers (http://www.autoalliance.org/auto-jobs-and-economics). Consumers completed the questionnaire immediately after processing one of six treatments used as the independent variable in this between-subjects design (Table 1). Each category featured headlines for two different brands and two automobile types to reduce bias toward one specific automobile and better represent the daily exposure typically experienced by U.S. consumers to multiple ads for multiple brands.

Table 1: Description of Advertising Treatment Headlines

	Non- Comparative	**Indirect Comparative**	**Direct Comparative**
U.S. Brand Sponsors	*(TRMT #1) n = 83* "For Chevrolet [Lincoln], beauty is not just skin deep."	*(TRMT #2) n = 78* "For Chevrolet [Lincoln], unlike foreign brands, beauty is not just skin deep."	*(TRMT #3) n = 78* "For Chevrolet Malibu [Lincoln MKX], unlike Hyundai Sonata [Acura RDX], beauty is not just skin deep."

Foreign Brand Sponsors	*(TRMT #4) n = 80* "For Hyundai [Acura], beauty is not just skin deep."	*(TRMT #5) n = 80* "For Hyundai [Acura], unlike U.S. brands, beauty is not just skin deep."	*(TRMT #6) n = 80* "For Hyundai Sonata [Acura RDX], unlike Chevrolet Malibu [Lincoln MKX], beauty is not just skin deep."

Results

The sampling procedure resulted in a total sample size of 479. The confirmatory factor analysis (CFA) conducted on the model analyzed here produced the following results: Chi-Square = 694.20; DF = 224; P = <.001; CFI = .96; RMSEA = .07 [Low = .06, High = .07]; SRMR = .05. Parceling was necessary to compensate for the large number of individual items present, which total 58 across the eight measures featured. This 8-factor model exhibits good fit with the data, and is therefore well-suited for Multivariate Analysis of Covariance (MANCOVA). In addition, Bartlett's Test of Sphericity (Chi-Square = 1572.62; DF = 14; Sig. = <.001) was also used to determine if modeling the CET variable as one of five dependent vector scores was appropriate since it is not one of the traditional hierarchy-of-effects constructs. Results indicate that the null hypothesis of an identity matrix should be rejected in favor of the alternative, and that a significant relationship exists among the five dependent variables for MANCOVA to be appropriate. Multivariate results of this MANCOVA are all significant at the .001 or <.001 levels, with observed power statistics all above .99. To conserve limited space, the remaining discussion will focus on the univariate results detailed in Table 2.

Table 2: Univariate Tests for Covariate and Treatment Effects

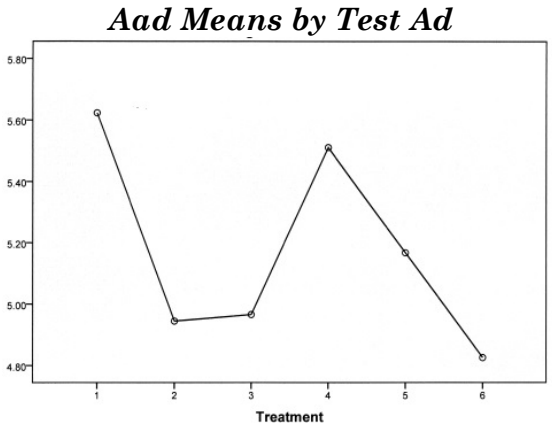
Source[1]	Dependent Variable	Type III Sum of Squares	df	Mean Square	F
Cognitive	Aad	35.47	1	35.47	19.42***
	Bblfs	39.41	1	39.41	28.98***
	Ab	29.47	1	29.47	18.27***
	PI	22.52	1	22.52	10.74**
	CET	4.76	1	4.76	6.01*
Affective	Aad	44.66	1	44.66	24.45***
	Bblfs	36.96	1	36.96	27.18***
	Ab	35.19	1	35.19	21.82***
	PI	70.62	1	70.62	33.67***
	CET	382.49	1	382.49	482.78***
Conative	Aad	1.77	1	1.77	.97
	Bblfs	10.94	1	10.94	8.04**
	Ab	2.23	1	2.23	1.38
	PI	.43	1	.43	.21
	CET	6.991	1	6.99	8.83**
Treatment	Aad	42.80	5	8.56	4.69**
	Bblfs	17.23	5	3.45	2.53*
	Ab	15.13	5	3.03	1.88
	PI	31.67	5	6.33	3.02*
	CET	5.51	5	1.10	1.39

Notes: 1. Corrected Model, Intercept, and Error lines are omitted to conserve space. * = Significant at the <.05 level. ** = Significant at the <.01 level. *** = Significant at the <.001 level.

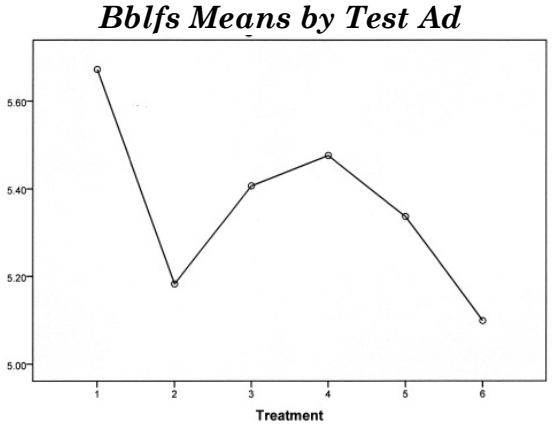
Table 2 validates the proposition that industry-specific personal characteristics impact ethnocentricity through a consumer's thoughts, feelings, and behavior. *Cognition* includes fact-based items such as "U.S. automobile production is now assembling parts made in foreign countries and shipped to the United States" and "Several foreign automobiles assembled in the U.S. have the same percent of U.S. component parts as GM, Ford, or Chrysler." *Affect* contains judgmental items such as "I have always been upset that foreign companies like Honda, Toyota, and Nissan have built factories in the United States" and "In my opinion, the best automobile vehicles produced anywhere on Earth are still made in Detroit by Ford, General Motors, and Chrysler." Finally, the *conative* scale contains behavior-based items like "I work for a foreign company that creates products or services used to manufacture automobiles in the United States" and "I work for a dealership that sells or markets Ford, GM, or Chrysler automobile brands in the United States."

The six treatments produced significantly different adjusted means illustrated and discussed next. Refer to Table 1 for treatment numbers used in the graphs below.

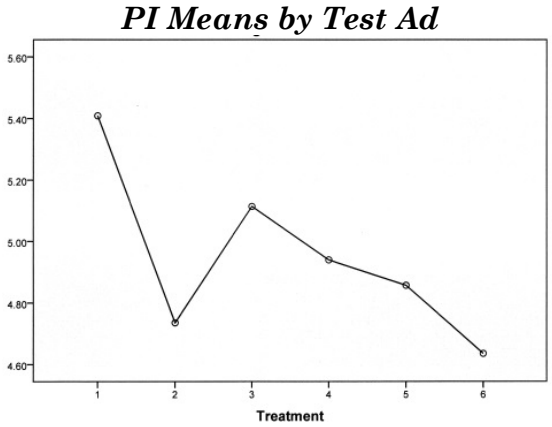
The most favorable adjusted Aad mean (5.62) for domestic brands resulted from processing non-comparative test ads; the same is true for the foreign brands (5.51). Neither comparative version (indirect = 4.95; direct = 4.97) appealed to consumers exposed to the domestic brands. The indirect comparative ad did produce a more positive result for the foreign brands (5.17), but the direct version was lowest of all six (4.83).



Concerning Bblfs, the domestic direct comparison (5.41) resulted in a more favorable position versus the indirect comparison (5.18). The highest mean is still for the domestic non-comparison (5.67) and the lowest for the foreign direct comparison (5.10). The foreign brands' indirect comparative version (5.34) still falls between the non-comparative and direct comparative versions as was true for Aad means.



Consistent with prior results, non-comparative ads resulted in the most favorable purchase intentions for the domestic brands (5.41) and the direct comparative ads produced the worse results for the foreign brands (4.64). Interestingly, although the direct comparison resulted in low Aad means for the domestic brands, the same treatment resulted in the second highest domestic PI means (5.11).



Conclusion

Industry-specific consumer profiles should be understood when segmenting, target marketing, and designing creative strategies for promotional campaigns. Employees may be their firm's best customers and brand champions (i.e., opinion leaders), and should be targeted with messages that appeal most to them (e.g. direct instead of indirect comparative ads). Whether employed in an industry or not, strong industry-specific consumer beliefs, feelings, and intentions impact the effectiveness of advertising. This key topic should be further explored and operationalized.

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Keywords: *consumer ethnocentrism, comparative advertising, industry-specific personal characteristics, U.S. automobile industry, MANCOVA, Qualtrics panel*

Relevance to Marketing Educators, Researchers and Practitioners: Understanding how industry-specific personal characteristics impact ethnocentric beliefs, attitudes, and behavioral intentions related to consumption is important to significantly improve communication effectiveness in key target markets.

Author Information:

William T. Neese is an Associate Professor of Marketing at Troy University in Troy, Alabama.

William Foxx is an Associate Professor of Marketing and Chair of the Marketing Department at Troy University in Troy, Alabama.

Dianne B. Eppler is an Assistant Professor of Marketing at Troy University Global Campus in Norfolk, Virginia.

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