


**A RELATIONSHIP BETWEEN ETHNOCENTRISM AND PURCHASE DECISION  
PATTERN OF CONSUMER IN CHENNAI CITY**

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ARTICLE INFO	ABSTRACT
<b>Article history:</b>	<b>Purpose:</b> This research aimed to find out what causes consumer ethnocentrism. In addition, the study will look into the relationship between ethnocentrism and consumer purchase patterns in Chennai.
<b>Received</b> 04 October 2022	<b>Theoretical Framework:</b> Consumers are increasingly confronted with a wide selection of home and foreign products as marketplaces become more globalised. Consumer ethnocentric attitudes are one factor affecting the purchase of domestic versus international products.
<b>Accepted</b> 06 December 2022	<b>Design/Methodology/Approach:</b> A total of 139 consumers in Chennai were polled in this face-to-face study. Correlation and regression tests were used to analyse the data.
<b>Keywords:</b>	<b>Findings:</b> Consumer ethnocentrism is most strongly predicted by the factor 'prejudice.'
Ethnocentrism; Consumers; Purchase Decision.	<b>Research, Practical &amp; Social Implications:</b> According to the study, consumer ethnocentrism significantly and positively impacts customers' purchasing decision patterns.
	<b>Originality/Value:</b> To develop successful marketing tactics inside and outside national borders, marketers must comprehend consumers' ethnocentric tendencies. The study's findings will also help marketers create and tailor their own strategic initiatives for the home market. The results of this study suggest that customer ethnocentrism and consumer shopping habits in Chennai are related.
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**UMA RELAÇÃO ENTRE ETNOCENTRISMO E PADRÃO DE DECISÃO DE COMPRA DO  
CONSUMIDOR NA CIDADE DE CHENNAI**

**RESUMO**

**Objetivo:** Esta pesquisa visava descobrir o que causa o etnocentrismo do consumidor. Além disso, o estudo analisará a relação entre o etnocentrismo e os padrões de compra do consumidor em Chennai.

**Estrutura Teórica:** Os consumidores são cada vez mais confrontados com uma ampla seleção de produtos nacionais e estrangeiros à medida que os mercados se tornam mais globalizados. As atitudes etnocêntricas do consumidor são um fator que afeta a compra de produtos nacionais versus internacionais.

**Design/Methodologia/Proteção:** Um total de 139 consumidores em Chennai foram entrevistados neste estudo face a face. Foram usados testes de correlação e regressão para analisar os dados.

**Constatações:** O etnocentrismo do consumidor é mais fortemente previsto pelo fator "preconceito".

**Pesquisa, Implicações Práticas e Sociais:** De acordo com o estudo, o etnocentrismo do consumidor tem um impacto significativo e positivo sobre os padrões de decisão de compra dos clientes.

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**Originalidade/Valor:** Para desenvolver táticas de marketing de sucesso dentro e fora das fronteiras nacionais, os marqueteiros devem compreender as tendências etnocêntricas dos consumidores. Os resultados do estudo também ajudarão os marqueteiros a criar e adaptar suas próprias iniciativas estratégicas para o mercado doméstico. Os resultados deste estudo sugerem que o etnocentrismo do cliente e os hábitos de compra do consumidor em Chennai estão relacionados.

**Palavras-chave:** Etnocentrismo, Consumidores, Decisão de Compra.

## RELACIÓN ENTRE EL ETNOCENTRISMO Y LAS PAUTAS DE DECISIÓN DE COMPRA DE LOS CONSUMIDORES DE LA CIUDAD DE CHENNAI

### RESUMEN

**Objetivo:** Esta investigación pretende averiguar las causas del etnocentrismo de los consumidores. Además, el estudio analizará la relación entre el etnocentrismo y las pautas de compra de los consumidores en Chennai.

**Marco teórico:** Los consumidores se enfrentan cada vez más a una amplia selección de productos nacionales y extranjeros a medida que los mercados se globalizan. Las actitudes etnocéntricas de los consumidores son uno de los factores que influyen en la compra de productos nacionales frente a los internacionales.

**Diseño/metodología/enfoque:** En este estudio cara a cara se encuestó a 139 consumidores de Chennai. Se utilizaron pruebas de correlación y regresión para analizar los datos.

**Resultados:** El etnocentrismo de los consumidores se predice en mayor medida por el factor "prejuicio".

Implicaciones sociales, prácticas y de investigación: Según el estudio, el etnocentrismo de los consumidores influye significativa y positivamente en las pautas de decisión de compra de los clientes.

**Originalidad/Valor:** Para desarrollar táticas de marketing exitosas dentro y fuera de las fronteras nacionales, los profesionales del marketing deben comprender las tendencias etnocéntricas de los consumidores. Las conclusiones del estudio también ayudarán a los profesionales del marketing a crear y adaptar sus propias iniciativas estratégicas para el mercado nacional. Los resultados de este estudio sugieren que el etnocentrismo de los clientes y los hábitos de compra de los consumidores en Chennai están relacionados.

**Palabras clave:** Etnocentrismo, Consumidores, Decisión de Compra.

### INTRODUCTION

The preferences of the product are chosen by the consumers with respective their Ethnocentric culture. It can also be used to describe a company's marketing strategy. If a company only sells its products in its home country, it is not marketing properly, and as a result, ethnocentrism is practised there as well. The idea that one's culture, religion, race, and language are superior to others' is known as ethnocentrism. It typically entails bias in one's capacity to unbiasedly assess alternatives and draw comparisons. Consumer ethnocentrism is a psychology term that refers to how consumers make purchasing decisions based on the nation of origin of the goods. It refers to customers' ethnocentric perceptions of goods from a different nation, the out-group, in a single nation (Shimp & Sharma, 1987). Customers could feel that buying goods from other nations is improper, if not morally wrong. The term "consumers' opinions about the acceptability, even morality, of buying imported imports" refers to consumer ethnocentrism (Shimp & Sharma, 1987, p. 280). It is generally accepted that consumer ethnocentrism has a detrimental effect on customers' purchasing intentions for foreign goods.

A purchase decision refers to the decision-making process that takes a consumer from recognising a need to creating possibilities and choosing a particular product and brand. The buying behaviour pattern is

1. When consumers buy a costly item, they engage in extended decision-making, which is a form of long-term decision-making.
2. Constrained Decision-Making: Consumers must make restricted decisions when it comes to limited decision-making. This simply implies that there aren't many different products like this one on the market.
3. Habitual Purchase Behavior: Our actions have a big impact on how we spend our days. We don't give buying a product that is both affordable and readily accessible much thought.
4. Curiosity-Driven Purchase Behavior: Out of curiosity, a customer might desire to test a comparable product from a rival brand.

## **BACKGROUND OF THE STUDY**

Consumer ethnocentrism may be crucial in the context of the global market given the rising internationalization of services. Due to a sense of loyalty to their home country, ethnic consumers are reluctant to accept services offered by foreign businesses. Consumer ethnocentrism is widely acknowledged to have a detrimental impact on customers' purchasing intentions for foreign goods. This means that those with high ethnocentric inclinations have a negative attitude about buying imported goods. The desire to enhance the economy of the country as well as encourage local producers in that country is the main reason that ethnocentric customers may prefer to use domestic products over foreign ones. As a result, if a country is highly ethnocentric, a company may face difficulties entering that country. Ethnocentrism can be harmful to a business if it leads to a failure to understand your customers' or clients' perspectives. You can design and employ a variety of tactics to benefit from it once you comprehend and appreciate its significance. Both domestic and foreign business can benefit from ethnocentrism. This present aims to identify the ethnocentric tendency among the consumers in Chennai city and to find the relationship between this ethnocentrism in their purchase decision pattern.

## **Review of Literature**

1. **G. Javalgi (2005)** This study sought to understand what causes ethnocentrism in French customers and how it affects attitudes about imports and, ultimately,

purchasing intentions Results are based on original information gathered from a French consumer sample. The French, who don't seem to be particularly ethnocentric, are eager to purchase goods from other nations, but because of the reputation that certain goods and brands from particular nations have developed, they are more likely to purchase such goods. French buyers demonstrated preferences for American, Japanese, and German automobiles. The association between ethnocentrism and attitude toward importing foreign goods was also found to be significantly moderated by the necessity of the product. This suggests that ethnocentric customers may be more inclined to buy imported goods they consider necessary rather than luxury goods they feel unneeded.

2. **Kaynak, E et al., (2002)** This study's goal is to examine Turkish consumers' attitudes about products, national identities, and lifestyles in order to make recommendations to marketers regarding the significance of the study's findings. The study's findings also showed that the Turkish consumers displayed a number of lifestyle traits that were directly tied to their ethnocentric prejudices. By including consumer ethnocentric biases and consumer lifestyle, this study adds to the expanding body of work on cross-cultural comparisons of country-of-origin influence.

3. **Muhammad, N. et al., (2004)** This study aims to determine whether consumer ethnocentrism affects Malaysian consumers' purchasing decisions and assessments of homegrown goods. According to the results, well over 80% of respondents were incredibly ethnocentric customers. The findings also demonstrated a substantial association between customer ethnocentrism and evaluations of domestic items and preferences for purchases. The study also discovered that there is no discernible connection between consumer ethnocentrism and demographic factors including age, gender, income, and education. The study's ramifications and potential areas for future investigation are similarly included.

4. **Sharma.P (2014)** Consumer ethnocentrism (CE) is a widely used concept in international marketing research, and it is typically assessed using the CETSCALE, a valid scale with established predictive validity but scant research on construct validity, dimensionality, and cross-cultural assessment invariance. By redefining CE as an attitudes construct with three dimensions— affective reaction, cognitive bias, and behavioral preference—this note fills in these knowledge gaps. Two experimental studies with adult consumers from China, India, the United Kingdom, and the United States were used to develop and test a revised CE scale (CES), which revealed that it is a reliable, valid, and cross-culturally conserved scale that accounts for more deviation

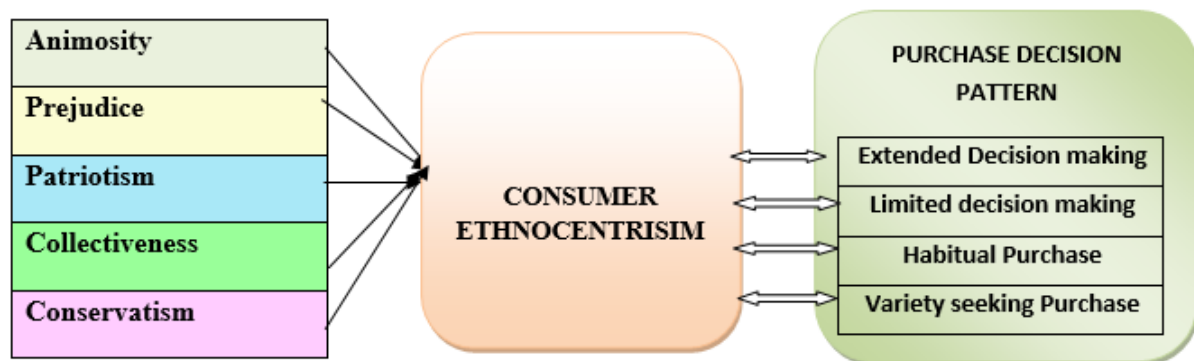
than the CETSCALE and other comparable scales in customer evaluations and behavioral intentions for a variety of products and services.

### OBJECTIVES OF THE STUDY

- To investigate the causes of consumer ethnocentrism
- To identify the most important characteristics of consumer ethnocentrism
- To examine the relationship between consumer ethnocentrism and the pattern of purchase decisions.
- To offer suggestions to global marketers to over the problems related to ethnocentrism

### STUDY MODEL

Figure 1 : Model shows the relationship between Ethnocentrism and Purchase decision pattern of the Consumers in Chennai city



This model is developed to understand the concept of the study at a glance. The study considers animosity, prejudice, patriotism, collectiveness and conservatism are the important antecedents of consumer ethnocentrism. The study's goal is to identify the most important factors that contribute to consumer ethnocentrism among Chennai residents. The impact of variables like animosity, prejudice, patriotism, collectiveness, and conservatism as measured by various statements about these variables. The purpose of this study is to investigate the relationship between consumer ethnocentrism and purchase decision patterns such as extended decision making, limited decision making, habitual purchase, and variety seeking purchase. More correlation research can confirm the relationship between independent and dependent variables.

## RESEARCH METHODOLOGY

Respondents' primary data was collected using a questionnaire. The questionnaire was of the structured type and included questions about the antecedents of consumer ethnocentrism as well as purchase decision patterns. An attempt was also made to discover a link between consumer ethnocentrism and consumer purchase decision patterns in Chennai. The questionnaire's questions were open-ended and provided multiple options. Convenience and Judgmental sampling was used for this study. The current study's population would be Chennai-based consumers of various products and services. However, only 139 people were chosen at random as a sample of the data analysis, regardless of their age, educational level, or occupation. Because the current study is based on primary data, the collected data has been divided into two sections. Section A is dedicated to graphical analysis, while Section B is dedicated to hypothesis testing. For Section – A, charts were used for analysis. For Section B, statistical tools such as regression and correlation tests were used to test hypotheses.

### Research Gap

There are no intrinsic or extrinsic studies examining the association between ethnocentrism and consumer purchase choice patterns, according to the literature. As a result, the current study aims to measure the link between ethnocentrism and consumer buying behaviour on ethnocentrism, particularly in the instance of a major metropolis like Chennai. The customer held a firm opinion on the marketing tactics and other forms of advertising. The ethnocentrism of each individual buyer can have an impact on other brands of similar goods, which could restrict competition. Analysis of alternative conformity methods is included in the research that examines consumer ethnocentrism by selecting subjects from a variety of categories because consumers' perspectives can influence how they feel about ethnocentrism. In order to explore the brain reactions of both male and females across a broader age range, on an educational basis, the younger pupils were treated to hostility, prejudice, patriotism, collectiveness, and conservatism. It is also critical to broaden the study to other industries in order to validate the findings and apply them to other areas. These are the principal gaps that require filling.

### LIMITATIONS OF THE STUDY

- The study's sample size is also small, with only 139 respondents considered. As a result, accurate research is impossible.

- Respondents may have been influenced when filling out the questionnaire. The findings reflect this influence.

## DATA ANALYSIS

The collected data through the structured questionnaire are tested using various techniques and the interpretation of the tests are given below:

### Personal Profile

Table 1: Personal Profile

	Variable	Category	Percentage
A	Age	15-24	2%
		25-34	23%
		35-44	35%
		45-54	33%
		Above 54	7%
B	Level of education	UG degree	11%
		PG degree	56%
		Professions	33%
C	Occupation	Government Employee	25%
		Private Employee	39%
		Own business	11%
		Students	18%
		Others	7%

From Table 1, it is observed that the majority respondents falls under the age group of 35 to 44 years (35%) and 45 to 54 years (33%). The maximum respondents are private employees. The majority group of respondents are with PG degree as qualification.

### Regression Test

Regression analysis has been carried out to study the contributing factors of consumer ethnocentrism. Regression is a method to analyze the collective and separate contribution of two or more independent variables, also called contributing factors.

Ho: Animosity, prejudice, Patriotism, Collectiveness and Conservatism are not the contributing factors of consumer ethnocentrism

Table 2: Regression Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Animosity	.820 <sup>(a)</sup>	.672	.666	0.26195
Prejudice	.884 <sup>(b)</sup>	.781	.777	0.21399
Patriotism	.833 <sup>(c)</sup>	.694	.688	0.25294
Collectiveness	.863 <sup>(d)</sup>	.745	.740	0.23089
Conservatism	.855 <sup>(e)</sup>	.730	.725	0.23777

The regression analysis depicts the antecedents of ethnocentrism taken for the study to consumer ethnocentrism. The factor Animosity contributes 67.2%, Prejudice contributes 78.1%, Patriotism contributes 69.4%, Collectiveness contributes 74.5% and Conservatism contributes 73% to consumer ethnocentrism. Among selective antecedents, the factor 'Prejudice' contributes the maximum percentage to create consumer ethnocentrism.

### Chi Square and Correlation Test

Table 3: Chi square test &amp; correlation: Impact of Ethnocentrism on Purchase decision pattern of consumers

	Value	df	Asymp. Sig. (2-sided)
<b>Ethnocentrism * Extended decision making</b>			
Pearson Chi-Square	15.124 <sup>a</sup>	4	.004
Pearson's R	.018		.692 <sup>c</sup>
<b>Ethnocentrism * Limited decision making</b>			
Pearson Chi-Square	7.154 <sup>a</sup>	4	.128
Pearson's R	-.081		.068 <sup>c</sup>
<b>Ethnocentrism * Habitual Purchase</b>			
Pearson Chi-Square	3.502 <sup>a</sup>	4	.478
Pearson's R	-.060		.174 <sup>c</sup>
<b>Ethnocentrism * Variety seeking purchase</b>			
Pearson Chi-Square	31.092 <sup>a</sup>	4	.000
Pearson's R	-.184		.000 <sup>c</sup>

Source: Primary Data

The chi square value for extended decision making is 15.124, and the significant value is 0.004, which is less than 0.05 and thus significant. The null hypothesis is rejected, and it is concluded that there is a link between ethnocentrism and long-term decision making. The correlation value (R) of 0.018 indicates a positive relationship between gender and deposit service awareness.

The chi square value for limited decision making is 7.154, and the significant value is 0.128, which is greater than 0.05 and thus not significant. As a result, the null hypothesis is accepted. It is possible to conclude that there is no link between ethnocentrism and limited decision making.



The chi square value for habitual purchase decision is 3.502 and the significant value is 0.478, which is greater than 0.05 and thus not significant. As a result, we accept the null hypothesis. There is no link between ethnocentrism and consumers' habitual purchase decisions.

In terms of the consumers' variety seeking purchase pattern, the chi square value is 31.092 and the significant value is 0.000, which is less than 0.05 and thus significant. As a result of accepting the alternate hypothesis and rejecting the null hypothesis, we can conclude that there is a link between ethnocentrism and the variety seeking purchase pattern. The correlation coefficient (R) is -0.184, indicating a negative relationship between ethnocentrism and the variety seeking purchase pattern.

## RESEARCH RESULTS

This section presents the findings obtained from the study on a relationship between ethnocentrism and purchase decision pattern of the consumers in Chennai city.

- ✓ The primary goal of this study was to look into the existence of consumer ethnocentrism and its impact on consumer purchase intentions in Chennai, and it was discovered that consumer ethnocentrism does exist in Chennai.
- ✓ Among the selective antecedents of ethnocentrism namely Animosity, prejudice, Patriotism, Collectiveness and Conservatism, the attribute 'Prejudice' is identified as most contributing factor of consumer ethnocentrism.
- ✓ According to the findings, there is a positive relationship between consumer ethnocentrism and the purchase decision pattern known as "extended decision making."

## DISCUSSION AND CONCLUSION

The study's conclusions have ramifications for both marketers who want to bring foreign items into Chennai's local market and those who wish to defend locally produced goods against foreign competition. To develop successful marketing tactics both inside and outside of national borders, marketers must comprehend consumers' ethnocentric tendencies. Additionally, the study's findings will help marketers create and tailor their own strategic initiatives for the home market. The results of this study suggest that customer ethnocentrism and consumer shopping habits in Chennai are related. It is advised that businesses measure consumer ethnocentric inclinations and build a database that can be used to establish marketing strategies in light of the findings.

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