Nostalgia and Ethnocentric Product Preferences

by

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Declaration of Originality

I hereby declare that:

(i) This thesis is my own work and has not been submitted for a degree at any university.

(ii) The work of others is properly acknowledged.

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Abstract

Understanding consumers' preferences is central in marketing. Their tendency to prefer products of domestic rather than foreign origin, and the impact their emotional and affective state has on their purchasing decisions are well-documented in the literature. This thesis connects these two research themes by examining the impact feelings of nostalgia have on ethnocentric product preferences.

The focus on nostalgia is not accidental. Advertising and marketing campaigns of several multinational companies have recently attempted to trigger such feelings amongst consumers in order to promote their products.

The thesis begins by offering a more robust investigation for the presence of country of origin effects and the impact of consumer ethnocentrism on it, using a multicultural sample and measuring individuals' actual preferences.

Using separate inducements for nostalgia — at the 'personal' level, referring to past events the consumers experienced alone, and at the 'collective' level, referring to past events the consumers experienced in the company of others — it proceeds by providing evidence suggesting that feelings of nostalgia significantly increase preferences for domestic products, as well as ratings of their perceived quality. Both inducements have similar effects on preferences and ratings.

Subsequently investigating the underlying psychological mechanism responsible for the effect of nostalgia on ethnocentric product preferences, the thesis provides evidence that self-reported 'meaning of life' — a composite measure previously linked to nostalgia — is a significant mediator of this effect; having a significantly positive indirect effect on both preferences for and ratings of domestic products.

The thesis concludes by discussing the implications these findings have for managerial practice and outlining future directions for marketing research in this field.

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List of Abbreviations

ANOVA	:	Analysis of Variance
CE	:	Consumer Ethnocentrism
CETSCALE	:	Consumer Ethnocentric Tendency Scale
COA	:	Country of Assembly
COO	:	Country of Origin
DCB	:	Domestic Country Bias
OLS	:	Ordinary Least Squares
UK	:	United Kingdom
USA	:	United States of America

Chapter 1

Introduction

This thesis presents a collection of empirical studies contributing to our understanding of ethnocentric product preferences. A short section outlining the main motivation and contributions of this thesis follows, along with an outline of the remaining chapters.

1.1   Motivation and Contribution of the Thesis

Understanding how people behave and make decisions is central both in academic (e.g., social sciences and business studies) and industry circles. In economics for example, Lionel Robbins' (1935) definition is still as accurate as ever: *"Economics is the science which studies human behaviour as a relationship between ends and scarce means which have alternative uses"* (Robbins, 1935: 16). Marketing studies individuals' purchasing behaviour by communicating the distinct or superior value of a particular product or service; the American Marketing Association (1985)

defines it as "*… the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchange and satisfy individuals and organisational objectives*".

It has long been advanced that a product's (or service's) quality carries a substantial weight in the purchasing decision-making process (White and Cundiff, 1978). Price, branding, and physical appearance are some of the main informational cues that affect consumers' perceived quality of products/services; see for example, Monroe (1973), Niraj and Philip (1994) and Jones and Hudson (1996). In fact, Tulin et al. (2008) found that product sales reduced following frequent price reductions. A further attribute acting as an influential informational cue of a product's quality — as will be discussed in detail in Chapter 2 — is its country of origin (COO). COO effects and the home country bias — a special case of COO, postulating that consumers have preferences for their home-country products — have been the focus of substantial research in marketing, especially following the work of Schooler (1965).

Another factor affecting consumers' purchasing decision-making process is their emotional and affective states (Gardner, 1985; Donovan and Rossiter, 1994; Spence et al., 2014). Nostalgia — defined as "a sentimental longing for one's past" (Sedikides et al., 2008) — plays a crucial role in many areas of everyday life, including advertising and marketing. Nostalgic appeals, a ubiquitous tactic in a marketer's toolbox (Holak and Havlena, 1992; Holbrook, 1993; Stern, 1992; Schindler and Holbrook, 2003; Muehling and Pascal, 2011), have been used increasingly in times of economic hardship (Elliott, 2009). For instance, blue-chip companies (such as Coca-Cola, McDonald's and Unilever) have all recently used nostalgic marketing tactics; for example, reviving vintage slogans and jingles, and introducing retro package designs. The aim of using nostalgia in marketing is

to create warm feelings about the past, making consumers feel better about the present and future (Elliott, 2009). Despite the increasing attention nostalgia has received in the marketing literature, the extent to which it determines consumers' preferences towards home country products has not been previously investigated.

The contribution of this thesis to the existing literature is both methodological and theoretical:

First, it conducts a more robust investigation for the presence of COO effects and the impact of consumer ethnocentrism on it by (a) using a multi-cultural sample, and (b) measuring actual, not hypothetical, preferences (Chapter 3).

Second, having provided more robust evidence supporting COO effects, but limited evidence on the impact of consumer ethnocentrism on it, it merges the two research streams mentioned above: COO effects and nostalgia. Using two different inducements for nostalgia, the empirical evidence provided in this thesis demonstrates that nostalgia amplifies preferences and ratings for domestic compared to foreign products (Chapters 4 and 5).

Third, it uncovers the underlying psychological mechanism that is responsible for the effect of nostalgia on ethnocentric product preferences, providing evidence that self-reported 'meaning of life' is a significant mediator of this effect (Chapter 6).

In all, the empirical evidence provided in this thesis — especially the novel evidence relating nostalgia to preferences for COO products — has important implications for marketing research as well as managerial practice, which I discuss in the concluding chapter.

1.2 Outline of Thesis

The rest of this thesis is structured as follows: Chapter 2 presents an overview of the relevant literature on COO and the home country bias, as well as an overview on the psychological causes and benefits of nostalgia. Chapter 3 studies the impact of domestic country bias for central and peripheral products across five cultures. Chapters 4 and 5 study the impact of 'individual' and 'collective' nostalgia inducements, respectively, on ethnocentric product preferences and the ratings of products. Chapter 6 studies the indirect effect that 'meaning of life' has on ethnocentric product preferences and ratings. Finally, Chapter 7 provides a summary of the main contribution of each empirical chapter, discusses the implications the results have for managerial practices, and offers some suggestions for future research in this field.

Chapter 2

Overview of Existing Literature

2.1 Country of Origin

"The Country-of-Origin, as an information cue, activated various ethnocentric or not beliefs and the antecedent knowledge of consumers, which subsequently affect the interpretation and evaluation of product attributes" (Chryssochoidis et al., 2007)

The conditions under which country of origin (COO) effects arise are still not sufficiently identified in the literature. This has led to an increasingly large body of research aiming at understanding COO effects on consumers' purchasing intentions and product evaluations over recent decades — see Usunier (2006) for an overview. This section does not intend to offer a complete account of this literature; rather an overview of some of the most important studies. Prior to this, it is worth considering how COO has been theoretically conceptualised in the literature.

Two main conceptualisations can be found in the literature: the 'halo' effect and the 'summary construct'. The former refers to the case where consumers use the country image of the foreign product in question in order to evaluate its unknown quality (Bilkey and Nes, 1982; Han, 1989). This concept was the one assumed to hold in early empirical studies on COO effects, reviewed in section 2.1.1 below. Therefore, it follows from the definition that if consumers are more familiar with the foreign product, they are less likely to rely on extrinsic cues, including the product's COO.

Yet, Johansson and Nebenzahl (1986) and Johansson (1989 argue against this claim. They find that the role of COO is significant even in circumstances where consumers are familiar with a product. This gives rise to the 'summary construct' view, according to which consumers generalise quality across familiar products originating from the same country and construct a summarised belief about the image of products of that country.

Han (1989) summarises the structural relationship of the two conceptualisations as follows, and offers empirical evidence supporting the presence of both, depending on whether consumers are familiar (support for the summary effect) or not (support for the halo effect) with the product:

(a) Halo effect: country image → beliefs → product evaluation, and

(b) Summary construct: beliefs → country image → product evaluation

2.1.1 Empirical Evidence on COO

The potential impact of COO on product preferences was first noted by renowned psychologist and marketing expert Ernest Dichter (1907-1991), known for his work on consumer behaviour and motivational research. He argued that a product's country of origin has a "tremendous influence on the acceptance and success of products" (Dichter, 1962: 116).

COO effects were, however, formally explored in Schooler (1965). In an experiment using 200 students from the University of San Carlos in Guatemala City, he allocated students into four equal groups and asked them to taste some juice and also gave them a piece of fabric. What the students did not know, however, was that the products in all four groups were exactly the same. The only cue that differed between groups was the fictitious COO of the products; i.e. products labelled as originating from Guatemala, El Salvador, Costa Rica and Mexico. Hence, in this setting, any significant differences in the evaluations of the products would have been based on the subjects' preconception of the country on the label. Schooler found that awareness of the COO of (the otherwise identical) products affected respondents' evaluation significantly.

Later work by Schooler looked into differences between regional and national labelling, showing that consumers' bias towards perceptions of products originating from less developed countries was not as significant if the labelling was at a national level (Schooler and Sunoo, 1969). Nonetheless, in a follow up study, Schooler (1971) found that the effect of the COO was the same regardless of whether national or regional labelling was used.

Thereafter, research on the effect of COO on product evaluations expanded mas-

sively — see for example Bilkey and Nes (1982) for an overview summarising 25 COO-related studies published between 1965–1982. Some scholars focused on the relationship between the image of a country and the image of the products it produced. Morello (1984) examined the image of eight countries (Belgium, France, Italy, Spain, The Netherlands, the USA, the then Soviet Union, and West Germany) and the image of products made by these. Results showed that COO effects were present and argued that they could potentially affect consumers' purchasing behaviours.

Others focused on the evolution of COO image perceptions over time. For example, over a seven-year interval Nagashima (1970, 1977) found that COO image perceptions (e.g. relating to reliability, quality, etc.) held by Japanese businessmen had improved for products originating from Britain, France and Germany, and had declined for those originating from the USA. Similar evidence, suggesting that consumers' perceptions regarding the COO of products can change over time, was also provided by Papadopoulos et al. (1987). This stream of research continued with the more recent study by Darling and Puetz (2002a, 2002b), who investigated changes over time in Finnish consumers' perceptions of products originating from the US, Japan, England, France and Germany. Their analysis was based on six waves of a survey conducted in five-year intervals, with the first having taken place in 1975 (hence the last survey having taken place was in 2000). Results suggested that consumer attitudes were time-sensitive and documented increases over time in ratings of products originating from the US, Germany and Japan.

Another research area related COO effects with preferences towards services. Services are largely intangible products, in the sense that there is a limited impact of packaging and physical display of such products (Bradley, 1995). The purchase decision of such goods can thus, to some extent, be associated with higher risk

(Bateson and Hoffman, 1999; Chettipally, 2005). There have only been a few studies looking into this. Javalgi et al. (2001) offered a review of the relevant literature examining this relationship for (a) core services (e.g. the provision of health care); (b) supplementary services, which increase the value consumers place on products (e.g. guarantees); and (c) cross-national service comparisons. They argued that COO effects also had a significant effect on services, not just tangible products.

Evidence in French and Poterba (1991), from the financial economics literature, also suggested that investors tended to hold most of their wealth in domestic assets. More specifically, 98%, 94% and 82% of Japanese, US and UK investors' stock market portfolios were held domestically, respectively. This is a rather surprising finding given the well-known international diversification principle in finance — and the more general maxim '*don't put all your eggs in one basket*'. This preference for domestic stocks seems to extend to geographically proximate investments. For instance, Coval and Moskowitz (1999) showed that US investment managers exhibited "a strong preference for locally headquartered firms, particularly small, highly levered firms that produce non-traded goods". Besides potential informational advantages associated with local firms, investors may tend to exhibit a preference to invest in geographically proximate companies out of a "psychological desire to invest in the local community" (Coval and Moskowitz, 1999: 2046).

The above-mentioned studies generally treated COO as an informational cue and subsequently studied its effect on product preferences and perceived quality. Some earlier scholars have, in addition, suggested that COO can potentially have intangible effects. One such is the symbolic and emotional meaning that COO has on consumers, yielding rich imagery with affective and sensory connotations (Askegaard and Ger, 1998; Papadopoulos and Heslop, 1993). In addition, COO

has also been documented to have an effect on consumers' national pride (Botschen and Hemetsberger, 1998) and national identity (Fournier, 1998).

2.1.2 Country of Origin Sceptics

Despite the strong evidence of COO effects in the literature, some scholars have raised some scepticism about the strength of this effect and its impact on consumer preferences.

An interesting finding in this domain is that when the COO is examined with a multi-cue approach it seems to be far less significant than with a single-cue approach. Johansson et al. (1985) considered such a multi-cue study in a sample of US and Japanese students. The study involved 10 car models manufactured in the US, Japan and Germany, and 13 car attributes (including price, horsepower, reliability, comfort, etc.). Participants rated each of the 10 cars on each of the 13 attributes, and also stated the importance they placed on each of those attributes. Results suggested that COO effects had a significant impact on the ratings of some specific attributes (e.g. horsepower for US cars), but not on overall evaluations. Despite the interesting finding of this study, it is questionable, however, whether consumers truly consider these cues in actual/real purchasing decisions.

In a different context, if COO effects are strong determinants of preferences, then a 'made in ...' campaign should have intensified it by focusing more of consumers' attention to a product's COO. Ettenson et al. (1988) rejected this hypothesis. They found that although American consumers held positive attitudes towards US products before and after a 'made in the USA' television campaign, a conjoint analysis — a technique used to determine how consumers value product attributes,

such as price, quality, etc. — suggested that other product cues carried much heavier weight in consumers' decision-making process. In fact, they found that such strong effects were a product's price and quality, which overpowered the effect of COO.

2.1.3 Consumer Ethnocentrism and Country of Origin

What is still not clear from the above-mentioned literature is what, on average, makes consumers biased when they are given the information of a product's COO, and especially when this product originates from their own country — i.e. the home bias effect, also known as domestic country bias (DCB). Several studies have tried to explain the drivers of the home bias effect. The predominant focus of those studies is revolved around consumer ethnocentrism (CE).[1]

The origins of CE can be traced back to Sumner (1906: 13), who defined ethnocentrism as a sociological construct; a "view of things in which one's own group is the centre of everything, and all others are scaled and rated with reference to it". More specifically, Shimp and Sharma (1987: 280) defined CE as "the beliefs held by consumers about the appropriateness, indeed morality, of purchasing foreign made products". Shimp and Sharma (1987) constructed a scale — known as the CETSCALE — in order to measure consumers' ethnocentric tendencies. Their motivation behind the design of the scale was to measure consumers' ethnocentric tendencies related to the purchase of foreign versus American-made products. The

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[1]Note here that the overwhelming majority of studies on consumer ethnocentrism do not differentiate between COO and home bias effects. The difference between the two is trivial, yet critical. Consumers might have preferences for products originating from a certain country (COO), which is not necessarily their own (home bias). Hence, the home bias effect can be viewed as a specific case of COO. When referring to consumer ethnocentrism however, the COO is by definition originating from the consumer's home country. COO and home bias effects can thus be used interchangeably under such circumstances.

scale consists of 17 items, such as "*American people should always buy American-made products instead of imports*", measured on a 5-point Likert scale (with 1 denoting 'strongly disagree' and 5 denoting 'strongly agree').

The CETSCALE has since been applied across many countries, returning a high degree of validity and reliability; see for example, Netemeyer at al. (1991), Sharma et al. (1995), Klein et al. (1998), and Luque-Martinez et al. (2000). Using this scale, in a study in Britain, Balabanis and Diamantopoulos (2004) for example found CE to be positively related with preferences for British products, though not always negatively related with preferences for foreign ones. They also found that the level of DCB varied between product categories; a result suggesting that the home origin of a product was not in itself sufficient to grant DCB. A replication of this study in Germany found results along the same lines (Evanschitzky et al., 2008). In a study of domestic and foreign gas stations in Poland, Supphellen and Rittenburg (2001) found that CE affected perceptions of domestic brands positively, having again no impact on those of foreign ones. Balabanis et al. (2001) also found that EC did not impose negative attitudes towards foreign products.[2]

There are, nonetheless, some studies that find only a moderate, or even no, CE effect. Examples include Acharya and Elliott (2003), relating CE with perceived product quality and choice of products in Australia; Moon and Jain (2002), finding no significant impact of CE on attitudes of South Koreans towards foreign advertisements and advertised products; Huddleston et al. (2000), relating CE with perceived product quality of Russians; and Cilingir and Basfirinci (2014), who find a negative moderating effect of CE on product evaluations of Turkish consumers, only when the latter is considered alongside other moderators, including

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[2]Other studies finding a CE effect on COO include Purwanto (2014) in Indonesia and Al Ganidesh and Al Taee (2012) in Jordan.

product involvement and product knowledge. Other scholars show variations to the level of ethnocentrism that can, for example, be driven by factors such as cultural differences and individual demographics. For example, comparing CE levels in a cross-cultural setting, Tsai et al. (2013) found that American consumers were more ethnocentric than Chinese and South Koreans. Josiassen et al. (2011) found evidence suggesting that the age and gender of the Australian participants in their study moderated CE. Another important factor is education. In a Dutch study, Meeusen et al. (2013) found higher levels of CE in lower educated individuals — a result which can be attributed to the direct relationship between education levels and cognitive abilities (Hodson and Busseri, 2012).

Despite the overall evidence linking CE — as measured by the CETSCALE — and the home bias effect, recent studies challenge this relationship. Machida (2012) suggested that CE levels decreased because of social globalisation (i.e. increased international contact between people) and economic globalisation (i.e. the spread of market-related values overshadowing local, more traditional, values). In addition, following evidence by Chandon et al. (2005), Bi et al. (2012) argued that CE captures attitudes, not actual behaviours. To test their hypothesis, they performed a field experiment where subjects were asked to choose between a selection of domestic and foreign products across four product categories (sweets, camera, t-shirt, and charity donation) as a reward for participating in the study.[3] They found limited evidence both in support of COO effects and the extent to which the CETSCALE determined choices amongst Chinese participants.

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[3]Note that the charitable donation was not a reward to the participant per se, but still revealed their preferences towards the allocation of resources.

2.1.4   Home Bias Effect and Food Products

There are many studies looking into the COO and home bias effects, though most focus on products such as home appliances, automobiles, and apparel. Research, however, suggests that still within products from the home country, the CE effect is bigger in certain product categories and less noticeable in others (Eroglu and Machleti, 1989; Herche, 1992; Balabanis and Diamantopoulos, 2004; Mockaitis et al., 2013). According to Sharma et al. (1995), it is the less important categories that are affected more from ethnocentric tendencies rather than the opposite. There are several studies in the literature concentrating on food/drink product categories, all of which — with the exception of Schooler (1965) — are fairly recent (published within the last decade). It is thus purposeful to review these in a separate sub-section.

Certain studies argue that CE affects consumer evaluations and have used the CETSCALE to support this claim. Orth and Firbasova (2003), for example, presented participants with multi-cue yoghurt profiles that were made of the following attributes: flavour, price, fat content, COO, and packaging. They found that CE was a significant predictor of consumer food evaluations.

Scarpa et al. (2005) also used profiles of the products being tested. The authors run three computer-based nationwide surveys consisting of a total of 2,000 households. The products used were Italian oranges, grapes, and extra virgin olive oil. Results showed a home bias effect across all products.

Luomala (2007) followed an experimental approach asking participants to taste Edam cheese — only *if* they wished to — before making their evaluations. Arguably, the tasting aspect of the experiment automatically increases the validity

of the results compared to previous studies that are solely based on attitudes. Hence, participants were not entirely relying on (positive or negative) pre-existing perceptions of the product when evaluating it. Results in this study are mixed as the authors found that activating domestic origin cognitively made participants to favour foreign products, but when activating domestic origin affectively they preferred domestic products. What is not clear from this study, however, is the proportion of participants who actually did taste the product, and how perceptions of those who did differed from those who did not.

The only study that made it mandatory for participants to taste the products before evaluating them is a study by Camgoz and Ertem (2008) that took place in Turkey. 60 MBA/PhD students participated in their experiment. They were first asked to taste and choose between four bars of milk chocolate without any other given cues. Packaging was removed and participants' only way of distinguishing between the four products was by the tag letters allocated to each (i.e. *A*, *B*, *C*, and *D*). They were then asked to choose between the same four bars of chocolate only this time the COO was revealed. Results showed that purchasing preferences changed significantly when the COO was revealed.

Krystallis and Chryssochoidis (2009) recruited participants while they were shopping for ham and cheese — the products used in this experiment — and asked them to complete a three-part questionnaire. One could argue that this setting is more realistic as it targeted consumers who wished to purchase those products and might, to some extent, be more knowledgeable about these. Results showed a marginally ethnocentric tendency that was activated at the product-level. It would, however, be a generalisation and incorrect assumption to make that participants were indeed familiar with, or good judges of, the exact products tested as they were not offered to taste them.

The most recent study of the effect of COO on food products by Pouta et al. (2010) studied attitudes towards broiler meat in Finland. About 1,300 internet users were asked to imagine that they were shopping fillets for a weekend dinner and answer some questions. Again, consistent with the studies above, results showed that the COO had a significant impact on the probability of choice of the home product. Though this study is entirely hypothetical, its strength lies in the large number of participants (51% response rate).

2.2 Nostalgia

The meaning of nostalgia has changed substantially through the centuries. The word originates from the combination of two Greek words: *nostos* (i.e. return) and *algos* (i.e. pain), interpreting it essentially with negative emotions. More formally, according to Johannes Hofer (1669-1752), a Swiss doctor, it is a form of illness, often associated with adverse mental and physical health symptoms, such as anorexia, melancholia, constant thinking of home, anxiety, palpitations of the heart and fever (McCann, 1941). Others have provided similar interpretations. Frost (1938: 801), for example, described nostalgia as an "immigrant psychosis"; Fodor (1950: 25) defined it as a "mentally repressive compulsive disorder"; Castelnuovo-Tedesco (1980: 110) argued it is a "regressive manifestation closely related to the issue of loss, grief, incomplete mourning, and, [...] depression"; and Frijda (1986: 475) described it as "the many obvious non-functionalities of emotion".

The above definitions of nostalgia were, nonetheless, not left undisputed. McCann (1941) and Rosen (1975), for example, offered a somewhat different description of the term by no longer considering nostalgia as a disorder or psychological illness,

rather as an emotion highly associated with other negative feelings/conditions, such as melancholia and depression. Therefore, this is — to some extent — a less negative view of nostalgia.

A critically different view of nostalgia was, however, offered by Davis (1979). In a study of college students, he found evidence suggesting that nostalgia and home-sickness were two separate concepts and emotions. In fact, he found that students associated nostalgia with more positive feelings. This view gave rise to a relatively recent research area around nostalgia, investigating its state, psychological causes and benefits, which are reviewed here.

2.2.1 State of Nostalgia

An important distinction needs to be made here between psychological traits and states. "A trait is a person's base-rate propensity toward a set of cognitions, emotions, or actions; [whereas] a state is the actual set of cognitions, emotions, or actions in a particular situation" (Lenton et al., 2013: 276; see also Endler et al., 1991). In other words, trait theory argues that feelings and behaviours are determined by an individual's psychological predispositions/characteristics and, although such traits evolve, they are fairly stable in the short-run. In contrast, psychological states are shorter in duration and are, by definition, situational (Nezlek, 2007). Importantly, individuals' psychology can be characterised by traits and states of the same element. To offer a few examples, Nezlek (2007) mentions the distinction between trait and state anxiety, Lenton et al. (2013) study the cases of trait and state authenticity, and Juhl et al. (2010) study trait and state nostalgia. Following this distinction between traits and states, this thesis focuses only on state nostalgia — henceforth referred to simply as *nostalgia* — which can

be induced and manipulated.

The most cited study investigating the state of nostalgia is Wildschut et al. (2006), consisting of three main studies. The first seeks to understand what characterises the experience of nostalgia. To achieve this, different age groups were instructed to submit a lengthy nostalgic narrative from their past. Analysing these narratives, the authors found three key features: (a) nostalgic narratives were mainly consistent of references to people (e.g., friends and relatives) and significant life events; (b) the most prominent person in the narrative were the respondents themselves, although rarely did the story not involve other people as well; and (c) narratives were associated with positive, rather than negative, affect. These results were confirmed in the second study focusing on undergraduate students only. The third study seeks to get an indication of the frequency of which nostalgia is felt by people. To achieve this aim a sample of undergraduate students were asked to report how often they felt nostalgic, with the overwhelming majority of participants (nearly 80%) experiencing it "at least once a week" and with only the 4% experiencing it less than "once or twice a month".[4] This implies that feelings of nostalgia occur rather frequently; notably, other studies found similar frequencies across age and cultural groups (Zhou et al., 2008; Routledge et al., 2011).

Hence, from Davis (1979) who first differentiated nostalgia from homesickness and Wildschut et al. (2006) who looked into the state of nostalgia in more depth, it is argued that previous conceptualisations of nostalgia were inaccurate and did not reflect the true essence of the term for two main reasons. First, the oversight of earlier scholars in distinguishing feelings of homesickness from those of nostalgia.

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[4]Note that their seven-point frequency scale ranged from "once or twice a year" to "at least once a day". The 4% of respondents experiencing nostalgia less often incorporate responses from the following three categories: "once or twice a month", "once every couple of months" and "once or twice a year".

Recent evidence, for example, suggests that homesickness is caused by separation from a group or place and desire to return to it (van Tilburg et al., 1996). Nostalgia, however, is characterised by the features in Wildschut et al. (2006) discussed above, which make it a broader concept associated with positive affect. Following this distinction, Sedikides et al. (2008) define nostalgia as "*a sentimental longing for one's past*". What can this 'past' be about? This is not constrained and can relate to any aspect of an individual's life, such as his/her place/country of origin, family, friends, events and experiences. This definition is in line with the one currently adopted by the *New Oxford Dictionary of English*, defining nostalgia as "*a sentimental longing or wistful affection for a period in the past*".[5] Reference to nostalgia in the remainder of this thesis adopts those recent definitions.

Second, it is possible that when observing the association between nostalgia and mental disorders (e.g. distress and anxiety), the causal relationship might had been falsely interpreted. That is, nostalgia might not be the cause of a psychological vulnerability, rather a coping mechanism for it (Routledge et al., 2013). This leads to a more detailed review of the evidence on the psychological causes giving rise to — and, in turn, the psychological benefits arising from — nostalgia in the following sub-sections.

2.2.2 Psychological Causes of Nostalgia

Further studies in the influential paper by Wildschut et al. (2006) investigate the psychological causes of nostalgia. The authors, having first established negative mood — and especially loneliness — as the main triggers of nostalgia, subsequently

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[5]Oxford Dictionaries online (September 2014):
http://www.oxforddictionaries.com/definition/english/nostalgia?searchDictCode=all.

conducted experiments to better explore the effect of each of these on feelings of nostalgia. In the first experiment participants were randomly allocated in one of three groups: (i) a 'negative mood' group, (ii) a 'positive mood' group, and (iii) a 'neutral mood' group. They were, respectively, asked to read an upsetting, uplifting, and neutral story. After completing the story-reading task, participants completed the Batcho (1995) Nostalgia Inventory measure[6], as well as a more "direct" measure of nostalgia devised by the authors (e.g., "I feel nostalgic at the moment"). Their results indicate that feelings of nostalgia were significantly higher for those in the 'negative mood' group, and not different in the other two, irrespective of the measure used to capture nostalgia.

Similar results were derived when, next, specifically analysing the impact of loneliness on nostalgia (Wildschut et al., 2006). In this experiment, a different sample of students were randomly allocated to either a high or low loneliness group and asked to respond to a number of statements from the validated UCLA Loneliness Scale (Russell, 1996), such as "I sometimes feel alone" (high loneliness group; in order to elicit agreement) or "I always feel alone" (low loneliness group; in order to elicit disagreement). After receiving information on their position in the 'loneliness distribution' relative to that of their fellow students, participants completed the Batcho Nostalgia Inventory along with a measure capturing actual feelings of loneliness experienced in the moment. Those in the high loneliness group were indeed found to report a higher degree of loneliness and reported to be significantly more nostalgic; a result which was found in a replication of this study on Chinese students (Zhou et al., 2008).

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[6]The Batcho Nostalgia Inventory asks respondents 'what' and 'how much' they miss certain elements of their past. It consists of 20 items, including family, worry, places, music, friends, toys, school, holidays, pets, house (although Wildschut et al. (2006) use 18 items, excluding 'heroes' and 'church'). These are scored on a 1-5 scale, with 1 denoting 'not at all' and 5 denoting 'very much'. A higher average score suggests the respondent is more nostalgic.

Looking at the psychological causes of nostalgia from a different perspective, Routledge et al. (2011) find that feelings of meaninglessness also tend to increase nostalgia. Meaninglessness in their experiment was induced by having participants read an extensive text positing that life has no meaning in the grand matter of things. For example, a sentence from this text was posing the following question: "what is 68 years of one person's rat-race compared to 5 billion years of history?". Compared to a random subsample of respondents reading a neutral text about computers (control group), respondents in the treatment group felt significantly more nostalgic, as measured by the "more direct" measure of nostalgia introduced by Wildschut et al. (2006) mentioned above (e.g., including items such as, "I feel nostalgic at the moment").

In summary, the evidence suggests that negative mood, loneliness and meaninglessness tend to lead to an increase in feelings of state nostalgia. The remaining question emerging from section 2.2.1, however, is whether nostalgia can be considered as a coping mechanism against adverse psychological states. The relevant literature examining this proposition is summarised below.

2.2.3 Psychological Benefits of Nostalgia

Before reviewing the psychological benefits of nostalgia, it is important to note that nostalgia is distinct from positive memory retrieval. This is because of the following reasons. First, positive autobiographical recollections involve only past events, whereas nostalgic recollections involve both a past event and its relevance to the current experience (Stephan et al., 2012). Second, nostalgia is associated with fond and tender reflections of past events rather than hedonic recollections (Hepper et al., 2012). Third, nostalgia entails emotional ambivalence: positivity

goes side by side with negativity (e.g., longing to go back in time). Finally, several studies have shown unique effects of nostalgia above and beyond positive affect (Zhou et al., 2012b; Cheung et al., 2014), such as attitudes towards the overweight (Turner et al., 2012) and the mentally ill (Turner et al., 2013).

Recent studies highlight the psychological benefits resulting from nostalgia. For example, in studies based on student samples, Wildschut et al. (2006) found that — compared to a control group — participants randomly allocated in the nostalgia (treatment) condition and asked to extensively describe a nostalgic event reported: (a) higher positive affect, as measured by Watson et al.'s (1988) Positive and Negative Affect Schedule (PANAS); (b) higher self-esteem, as measured by Rosenberg's (1965) Self-Esteem Scale; and (c) higher feelings of social connectedness, as measured by Buhrmeister et al.'s (1988) Interpersonal Competence Questionnaire.

Zhou et al. (2008) support the evidence regarding social connectedness. More specifically, the authors looked into coping strategies for loneliness. They conducted four experiments and found that loneliness directly decreased perceived social support. At the same time though, loneliness indirectly increased perceived social support via nostalgia. The authors concluded that nostalgia magnified perceptions of social support, which in turn helped with feelings of loneliness. Extending the evidence related to social connectedness, Wildschut et al. (2010) found that nostalgia not only strengthened social bonds but, in addition, increased participants' capacity to help others emotionally.

Furthermore, a study by Cheung et al. (2013) showed a connection between nostalgia and optimism. In three studies evoking nostalgia with different inducements (i.e., describe a nostalgic event, listen to music, or read song lyrics), the authors

argue that participants in the treatment condition reported higher levels of optimism. Their study also suggests that higher optimism is a result of higher levels of social connectedness and self-esteem.

Contributing to this literature, Baldwin and Landau (2014) provided experimental evidence suggesting that nostalgia increased growth-oriented self-perceptions — such as being more favourably disposed towards new experiences and self-expansion — and growth-oriented behavioural intentions — such as willingness to engage in new experiences and "self-expansive actions". Nostalgia has also been shown to regulate the avoidance and approach motivational system. Stephan et al. (2014) found that avoidance motivation triggered nostalgia and that nostalgia, in turn, increased approach motivation; thus, nostalgia counteracted the negative impact of avoidance motivation on approach motivation.

Finally, an increasing number of recent studies in this literature have focused on the impact of nostalgia on perceived 'meaning of life'; also referred to as 'existential meaning'. The degree to which individuals find and sustain a sense of meaning in their lives has been the attention of several scholars in psychology; see Greenberg et al. (2004) for an overview. Because of the inevitability of death, "from an existential perspective, one of the primary challenges that people face is carving out a meaningful and valued existence" (Wildschut et al., 2008). Terror management theory (Greenberg et al., 1986) postulates that maintaining a sense of 'meaning' — via holding shared beliefs about the nature of reality — mitigates "existential anxiety" caused by the adversity of death (Routledge and Juhl, 2010; Arndt et al., 2011), and improves goal-directed action (Pyszczynski et al., 2004) and (psychological) well-being (Ryff, 1989; Jim and Andersen, 2007; Updegraff et al., 2008; Park, 2010).

As nostalgic episodes typically centre on important personal life events, nostalgia might serve as a meaning-providing resource allowing individuals to develop a personal sense of meaning in life (Sedikides et al., 2004). After all, family, friends and spouses are argued to play a central in one's personal 'meaning of life' (Hicks et al., 2010; Lambert et al., 2010), and these are precisely the people often described in nostalgic narratives as well (Wildschut et al., 2006; see also section 2.2.1).

Empirically, 'meaning of life' is a composite measure obtained from participants' responses to a series of questions related to meaningfulness and purpose of life. These include the McGregor and Little (1998) Purpose in Life scale and the Steger et al. (2006) Presence of Meaning in Life scale. Using such measures, Routledge et al. (2011) showed that people who evoked nostalgic rather than ordinary autobiographical memories, perceived their lives as having more meaning. Through six experiments, they showed that nostalgia: (a) was positively associated with 'meaning of life', and (b) increased 'meaning of life', but also that (c) threatened 'meaning of life' increased nostalgia.

In relation to the latter, when 'meaning of life' was threatened, people who originally evoked nostalgic compared to positive autobiographical events reported less need to search for 'meaning of life', providing further evidence that nostalgia can serve as a meaning-providing resource (Routledge et al., 2012). This result was also concluded in the study by van Tilburg et al. (2013), who argue that nostalgia mitigates the meaninglessness arising from boredom. Further experiments in this study — in addition to establishing a causal link running from induced boredom to increased nostalgia — found 'meaning of life' to be a significant mediator of this relationship.

2.2.4   Collective Nostalgia

Studies referred to thus far explored nostalgia with a focus on its origin/meaning and psychological causes and benefits. Most of these focus on personal nostalgia — that is, at the level of the individual. Nostalgic autobiographical narratives, however, show that nostalgia is very much a social phenomenon. Surely, the self appears to be central in these narratives, but most of the time this occurs within a social context, such as families, friends, spouses, co-workers, and other groups of individuals (Hepper et al., 2012; Holak and Havlena, 1992; Wildschut et al., 2006).

This important social aspect of nostalgia depicted in nostalgic autobiographical narratives, has led scholars to believe that nostalgia can be part of the fabric that constitutes a shared social identity (Sedikides et al., 2009). Along these lines, Volkan (1999) argued that immigrants might be particularly prone to nostalgia; in unfamiliar and potentially hostile environments — like a foreign host country — 'linking objects' (e.g., songs associated with one's homeland) and nostalgic feelings form the core features of a collective identity. Similarly, Kim (2010) found that Koreans immigrating to China felt nostalgic about their collective way of living, which they perceived to be under mounting pressure by the necessity to compete with the Chinese majority. Related, individuals in Eastern European countries expressed nostalgia about their country's communist past, which may have key identity-affirming functions in a fast changing social and political environment (Blum, 2000; Gherghina and Klynmenko, 2012; Velikonja, 2009).

According to Gabriel (1993), collective nostalgia is also a very much pervasive phenomenon at the organisational level. Gabriel was not intentionally researching nostalgia when he analysed the stories collected by 126 interviews. It is only after

he listened to the tapes again so as to categorise their stories that the common theme of nostalgia arose. The study found that a lot of employees were making the case of their organisation being like a family after having worked there for a few years; hence the feeling of collective nostalgia that emerges from the employees all being so close. Along the same lines, Milligan (2003: 399) suggested that when employees changed jobs, nostalgic memories from their previous working environments served as strong sources of "shared generational identities". Brown and Humphreys (2002: 141) argued that collective nostalgia may be the "key to the understanding of the dynamics of individual and organisational identity construction". According to the authors, this is because collective nostalgia is capable of making the members of a group like each other more; and even more so, capable of bringing a group closer together and making it stand out from other groups.

According to recent research by Wildschut et al. (2014), collective nostalgia meets the four criteria specified by Smith et al. (2007) for identifying group-level emotions, as suggested by intergroup emotions theory (Mackie et al., 2000; Mackie and Smith, 1998; Smith, 1993, 1999).

1. Group level emotions are distinct from the same person's individual level emotions.

2. Group level emotions depend on the person's level of group identification.

3. Group level emotions are socially shared within a group.

4. Group level emotions contribute to motivating and regulating intragroup and intergroup attitudes and behaviour.

In relation to the first criterion, Wildschut et al. (2014) showed that collective nostalgia offered unique benefits to the in-group. As discussed above, these benefits are social connectedness, self-esteem, 'meaning in life', optimism, and approach motivation. In relation to the second criterion, the authors demonstrated that collective nostalgia led to positive in-group evaluations and approach-oriented action tendencies, behavioural intentions to support the in-group, and costly behaviour to punish transgressions perpetrated against the in-group. In relation to the third criterion, they found that when social identification was high, collective nostalgia led participants to engage in higher financial sacrifices on behalf of the in-group. Related, Lasaleta et al. (2014) found evidence suggesting that nostalgia increased social connectedness which, in turn, decreased the desire for money. Finally, in relation to the fourth criterion, Wildschut et al. (2014) found that for a large and abstract social group (Americans), ratings of group-level nostalgia converged towards the group average; a result suggesting that collective nostalgia is shared socially.

These studies suggest that nostalgia influences tangible decisions to support the collective. Given the above, Wildschut et al. (2014) define collective nostalgia as "the nostalgic reverie that is contingent upon thinking of oneself in terms of a particular social identity or as a member of a particular group and concerns events or objects related to it".

Given the central role of nostalgia in this thesis and the relatively recent attention this literature has received, Table 2.1 offers a summary of the main studies discussed above.

Table 2.1: Overview of Main Studies on Nostalgia

Author(s)	Findings
Wildschut et al. (2006)	– Nostalgic narratives refer to significant others & life events. – The self, but also others, are central in those narratives. – Narratives give rise to increased positive affect, self-esteem, feelings of social connectedness. – Nostalgia is a common & frequent experience. – Negative mood, especially loneliness, give rise to nostalgia.
Zhou et al. (2008)	– Feelings of loneliness give rise to nostalgia. – Nostalgia promotes feelings of social support, coping in turn with feelings of loneliness.
Routledge et al. (2011)	– Meaninglessness gives rise to nostalgia. – Threatened 'meaning of life' increases feelings of nostalgia (coping mechanism).
Routledge et al. (2012)	– Nostalgia reduces the need to search for meaning in life. – Nostalgia mitigates negative effect of threats to 'meaning in life'.
Zhou et al. (2012b)	– Nostalgia increases charitable intentions & tangible charitable behaviour. Effect mediated by feelings of empathy.
Routledge et al. (2013)	– Nostalgia acts as a coping mechanism for negative emotions.
Cheung et al. (2013)	– Nostalgia gives rise to optimism. Effect is mediated by self-esteem.
van Tilburg et al. (2013)	– Nostalgia mitigates meaninglessness arising from boredom.
Baldwin & Landau (2014)	– Nostalgia increases psychological growth intentions (e.g. seeking new experiences).
Wildschut et al. (2014)	– Collective nostalgia increases social connectedness, self-esteem, 'meaning in life', optimism and approach motivation. – Collective nostalgia brings a sense of support to the in-group (described by the collective).

Chapter 3

An Experiment-led Approach to Country of Origin

3.1 Hypotheses

As mentioned in the previous chapter, the home bias effect is an area that has been researched for quite some time now, with studies focusing on an array of products. Several studies have focused on consumable products, such as food and beverages. Prior work in this area — including the study's methodology, product tested and a short summary of the results — is summarised in Table 3.1.

Despite their respective contributions, these studies face several major limitations. First, all studies independently focus on subjects from a specific nation, therefore making it difficult to generalise results. In addition, replication of existing studies across countries is not frequent practice. It is quite likely that consumers from different cultural backgrounds are affected to a different level from COO effects.

Table 3.1: Home Bias in Consumable Products

Author(s)	Methodology & Product Tested	Findings
Orth & Firbasova (2003)	Conjoint Experiment & CETSCALE Questionnaire (297 participants) *Czech Yogurt*	CE is a significant predictor of consumer food evaluations.
Scarpa et al. (2005)	3 Nationwide surveys (2,000 households). *Italian oranges, table grapes and extra virgin olive-oil.*	Results showed a home bias effect in all three product categories.
Luomala (2007)	Experiment and CETSCALE Questionnaire (66 participants). *Finnish edam cheese.*	The activation of COO cognitively appeared to cause consumers to avoid food of domestic origin, whilst activation of COO affectively leads to favouring domestic food products.
Camgoz & Ertem (2008)	Experimental Method (60 students). *Turkish milk chocolate*	Purchasing preferences changes significantly when the COO was revealed.
Krystallis & Chryssochoidis (2009)	Questionnaire by personal interviews (274 respondents). *Greek ham & cheese.*	Results showed a marginally ethnocentric tendency that was activated at the product-level.
Pouta et al. (2010)	Choice experiment through online questionnaire (1,312 responses). *Finnish Poultry.*	COO has significant impact on the probability of choice.

Hofstede's work (Hofstede, 2001; Hofstede et al., 2010) offers an example of how values in the workplace are determined by differentiations in 'national culture', defined as "the collective programming of the mind which distinguishes the members of one group or category of people from another" (Hofstede, 1991: p5). Beyond cultural differences, there is also evidence suggesting that the economic development of the home country affects the impact of CE; with consumers from more advanced (developed) economies valuing their products more than consumers from less developed ones (Wang and Chen, 2004).

Second, none of these studies have performed any pre-testing on the chosen products to demonstrate that they are using the right choice of products to measure COO effects. This is a critical omission because, methodologically speaking, one is not able to derive a clear picture of the relative strengths of home bias effects across products, and no clear comparability and attribution to home bias effects are possible.

Third, by almost exclusively using questionnaires and interviews, previous study designs assume that individuals are familiar with the products and can accurately recollect what they thought of them at the time of purchase in order to be able to compare them to similar, foreign, products. Retroactively asking people for their motives and reasons is, however, problematic as there is evidence that people mis-remember and misattribute the reasons of their purchases — see for example, Wilson et al. (2001) and Morewedge et al. (2005). It follows that derived estimates are then based on one's preconception of the product and its quality, which will lead to some degree of bias.

Related, it has been argued that the elicitation of hypothetical preferences (also known as 'stated preferences') between a domestic and foreign product captures

attitudes towards these, not actual preferences. According to Kahneman and Sugden (2005) *"we have attitudes to many things which we don't have any reason to have preferences about because they are not choices that we would ever have to make"*. To put this notion in context, consider the case of an individual asked to state her preference between two similar goods, a domestic and a foreign one, of product P (e.g., French vs. Italian wine). The respondent will state her preference, but it might well be the case that she does not have a real underlying preference for either. This might be either because she does not consume wine, or because she prefers wine from another country not included in the scenario, say Argentina. That is, the choice between French and Italian wine in this example is not a choice she would ever have to make, hence her response captures attitudes towards the products from the countries in question, based on a number of perceived attributes which might include, amongst others, perceived quality of the product in question and quality of other products from these countries.

This study addresses all these challenges by:

(i) Conducting an experiment on consumers from five different cultural backgrounds:

   (a) European: French, Greek and Italian; and

   (b) Asian: Japanese and Thai subjects.

   Different products were used for each of those countries, to make the experiment relevant to participants, respectively.

(ii) The products used in the experiment were not chosen ad-hoc. Pre-testing surveys were conducted in order to appropriately identify whether the choice

of products used were the appropriate ones for each country.

(iii) Subjects were required to experience (i.e., taste in this context) the products in question before stating their preferences for them. This experiment-led approach is expected to decrease the biases arising from attitudes towards the product's COO.

Hence, there are two main hypotheses to be tested here:

H1: There is a significant home bias effect for food and drink products across various cultures.

H2: Consumer ethnocentrism has a significant impact on preferences (i.e., choices) for food product categories.

3.2   Experimental Design

This section outlines the experimental design and methodology adopted in this chapter.

3.2.1   Determining the Participants

In order to eliminate the biases associated with fictional scenarios of preferences, a food tasting session in the form of an experiment was implemented here. Subjects were students at Imperial College London, gathered from the College's cultural societies. An email inquiring the number of members each society had was sent to all 45 cultural societies. From the societies whose representatives replied to the

inquiry, only those with more than a 100 members were invited to participate in the experiment in an attempt to maximise the potential number of participants. From those societies, a mixture of European and Asian societies was chosen in accordance to Hofstede's work, thus ensuring a varied international cultural sample. Overall, subjects from the following five cultural societies participated in this study: French, Greek, Italian, Japanese, and Thai.

According to Hofstede (2001) and Hofstede et al. (2010), these five countries are characterised by significant differences in the six dimensions determining 'national culture'. These include (i) power distance: measuring the degree to which society accept inequalities of power; (ii) individualism vs. collectivism: with higher scores reflecting individualism; (iii) masculinity vs. femininity: with higher scores reflecting masculinity (i.e. competitiveness, preferences for achievement, material rewards, etc.); (iv) uncertainty avoidance index: with higher scores reflecting the degree to which a culture dislikes uncertainty; (v) long term orientation vs. short term normative orientation: with higher scores reflecting the notion that change is welcome; and (vi) indulgence vs. restraint: with lower scores reflecting the presence of strong social norms and the suppression of human gratification.

These differences are depicted in Figure 3.1. Note that the focus of this study lies on the relative rankings of each country, suggesting that the sample studied here is truly culturally diverse. Justifying differences in absolute scores is beyond the scope of this thesis. We observe a large variability in scores for most dimensions, such as 'individualism' (e.g. Thai's 20 compared to Italy's 76), 'masculinity' (e.g. Thai's 34 compared to Italy's 70 and Japan's 95) and 'uncertainty avoidance' (e.g. Italy's 75 compared to Greece's 100); although smaller differences in scores should not be dismissed.
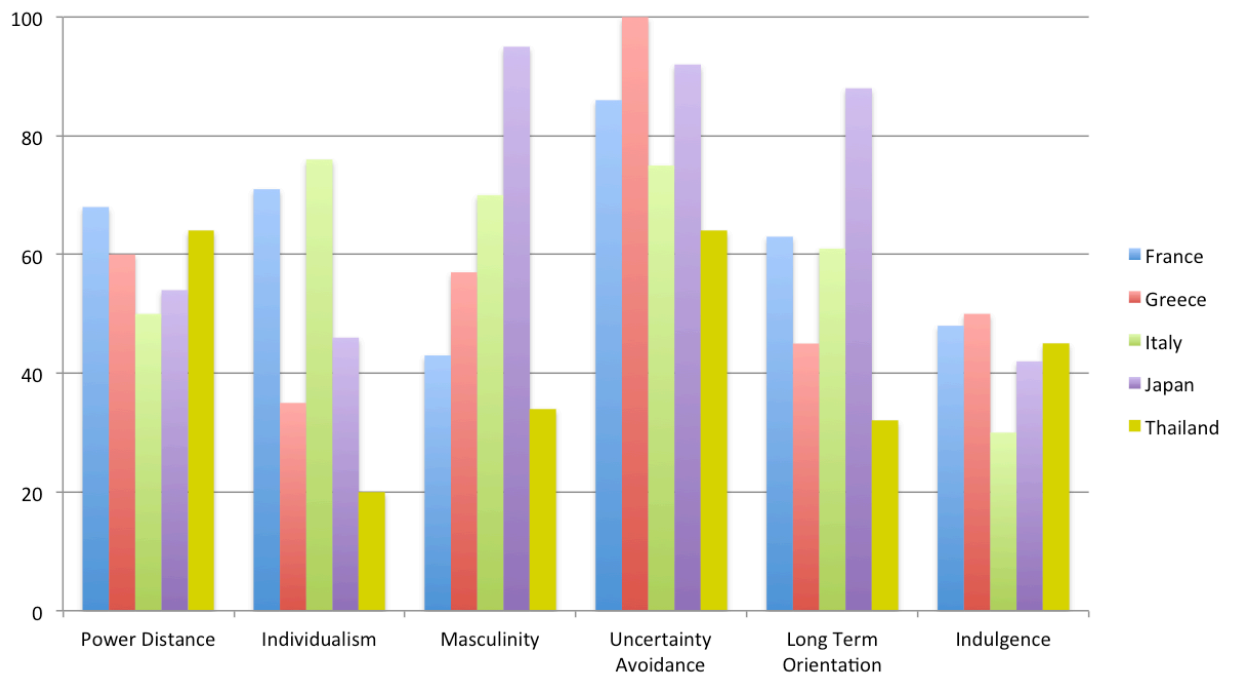
Figure 3.1: Hofstede's 'National Culture' Dimensions

Following the initial e-mail contact, a meeting with the representative of each society was scheduled in order to inform them of the overall process of the experiment, without of course specifying the hypotheses or aims of it. Dates and timing of the experiments were important in order to maximise the chances of their members to participate and to avoid possible clashes with other events, such as course examinations, school events and (culture-specific) holidays. The meetings with the representatives, thus, also involved the determination of potential dates that would be appropriate to run the experiment. Following these initial discussions, an electronic leaflet was subsequently put together and forwarded to the representative/president of each society, to be forwarded in turn to society members.

Despite targeting members of cultural societies for these experiments, each ex-

periment and date was heavily advertised across the College in an attempt to maximise the possible number of subjects. For example, the electronic leaflet was also forwarded to other societies that were food-related or had a large number of international members. In addition, departmental administrators were also contacted and were asked to forward the electronic leaflets to students attending their programmes. Finally, a hardcopy of the same leaflet was also placed on notice boards and distributed around the College (e.g., in highly occupied areas, such as halls, cafeterias, the student union and student halls). More than a hundred leaflets were put up a week prior to the date of the experiment, clearly highlighting the experimenter's contact details and the exact location of the rooms holding the experiments.

Substantial evidence in the literature suggests that incentives can improve response and participation rates. For example, James and Bolstein (1990) found that response rates significantly increase by offering a monetary incentive as low as \$0.25 to respondents.[1] Here, all subjects were offered an incentive to attend and participate in the experiment, but rather than a direct monetary incentive, students were instead offered a free lunch immediately following the completion of the experiment. This was substantially emphasised in all forms of advertising (e-mail and leaflets).

3.2.2   Protocol

A total of five experiments were held over five different days; that is, one experiment per day for each nationality. A total of four rooms were booked:

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[1]Evidence suggests the same for performance-related incentives (Camerer and Hogarth, 1999), which do not however apply to tasks in this study.

- Room 1: Storage and Preparation.

- Room 2: Treatment Group Tasting.

- Room 3: Control Group Tasting.

- Room 4: Ethnocentric Questionnaire and Free Lunch.

Room 1 was the only room that participants did not have access to. It was very important to have a room for storage, as students should, under no circumstances, be able to observe the brands of the products used in the experiment. Rooms 2 and 3 — the rooms that the experiment actually took place — were identical in terms of location, size, appearance and furniture. These room-related attributes were purposefully kept constant in order to reduce environmental heterogeneity, which might have imposed either positive or negative influences on individual responses. Room 4 was used for the participants to enjoy the free lunch provided in return for their participation, as well as for the completion of an additional questionnaire measuring ethnocentric tendencies.

All four rooms were booked between 10:00–14:00, with each experiment lasting for approximately three hours. The first hour of the booking was merely used for preparation and set-up of the rooms, during which all food and drink products were placed in plastic plates and cups, and clear labels were placed in front of each product.

On the day of the experiment each individual was randomly assigned to either the treatment or control conditions (rooms 2 or 3, respectively). These rooms were purposefully labelled as 'Room A' and 'Room B', instead of 'treatment' and 'control', so as not to make the subjects aware of which of the rooms they were

entering. Both rooms offered two identical categories of consumable products, *Product Category A* and *Product Category B.* Products from three different countries were offered under each product category and subjects were asked to taste these. In each case, only one of these products originated from the respondents' COO. These are presented in Table 3.2. Product category A included products for which each country is well-known/famous for; something which was not the case for Product Category B, which offered a selection of products for which the country is not as reputable — see section 3.2.3 for more details.

Table 3.2: Product Categories Tested in Each Country

Product Category	France	Greece	Italy	Thailand	Japan
A	Red Wine	Yogurt	Dry-Cured Ham	Chilli sauce	Green tea
B	Raspberry Jam	Red Wine	Red Wine	Tea	Jasmine Tea

Even though the two rooms were identical and offered exactly the same products in each country-case, there was one main difference. In the treatment room the label of each of the products clearly revealed their COO. No other information though was provided about the product, such as the brand name, and products were removed from their packaging. So labels would read for example: *'A: French Red Wine', 'B: Italian Red Wine', 'C: Greek Red Wine'.* In the control room however this information was not revealed to subjects and signs only read: *'A: Red Wine', 'B: Red Wine', 'C: Red Wine'.* Hence, subjects who observed the COO formed the treatment group whereas those who were not given this information formed the control group. Figure 3.2 offers an illustration of this design for the case of France.
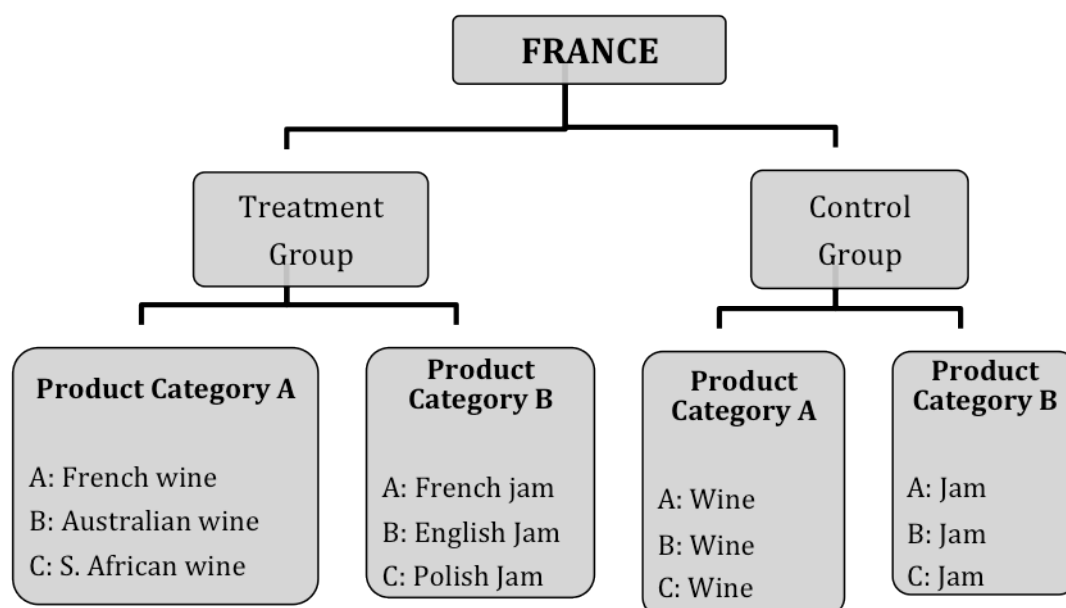
Figure 3.2: The Experiment — Case of France

Once subjects entered either of the two rooms, they were handed a Questionnaire to fill in whilst tasting the products offered.[2] They would first sample the three products in Category A and rate them according to taste and quality. They would then be asked to rank the three products in order of their preference. The same was done for the three products under Category B.

Once this task was completed all individuals from both rooms were moved into Room 4 and were given a longer questionnaire comprising of the CETSCALE questionnaire.[3] The CETSCALE (Shimp and Sharma, 1987) questionnaire has been widely used in studies examining ethnocentric tendencies. It was purposely handed to the participants following their tasting and evaluation surveys, in order to make sure that they were not aware of the purposes of the experiment beforehand. The CETSCALE questions have a 7-point Likert-type scale format, where 7 represents

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[2]Full questionnaire available in Appendix A1.
[3]Please see Appendix A2 for full questionnaire.

"strongly agree" and 1 "strongly disagree".

3.2.3 Determining the Products

The choice of products presented in Table 3.1 above were carefully selected. As mentioned above, Product Category A included products that are strongly associated with each respective country. This is not the case with products under Product Category B, which were products not that closely linked to the specific country. The motivation behind the use of these two product categories was that COO effects might be more pronounced for central versus peripheral goods.

For each country the choice of products was determined based on extensive pre-testing. Two different surveys were conducted: (a) an online and (b) a print one that was handed to a group of students at a different University based in London (the London School of Economics). Participants of both these surveys were not invited to participate in the main study as they already had a good idea what the study was about and might have biased the results.

The online questionnaire asked participants to state up to three consumable products (food or beverage) that they strongly associate with their home country.[4] This approach is closely linked to Usunier and Cestre's (2007) work on product ethnicity. More specifically, their country-product measurement method asked participants to list the products coming to mind for a given selection of countries. The main difference in this approach for the present study being that the questionnaire was only distributed to respondents from the country in question; that is, for example, French participants asked about products coming to mind for France.

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[4]Please see Appendix A3 for full questionnaire.

Arguably, product responses to this survey might not match those which a cross-cultural sample (e.g., non-French individuals) might have given.[5] This, however, is not a limitation per se in this context, as the present study is concerned with the products nationals attach to their own country — in order to test for their own preferences towards COO.

Hence, the same survey was prepared five times (i.e., for the five different countries of the main study), suggesting a selection of products that could potentially be used for each experiment. Approximately 30 responses from each country were gathered. Careful consideration was then given on additional factors that contributed to the final product selection process. These included: research budget constraints, availability of products in London where the main study took place, availability of competitor products in London, and consumable simplicity of the products — e.g., be easily offered to participants within a university's environment. After taking these factors into consideration the list of potential products were narrowed down to just one product per country.

The purpose of the second questionnaire was to cross-validate the selection made via the online survey, asking respondents from a range of nationalities — different to the ones tested — to match the final selection of products to the five countries one-by-one. This again closely resembles Usunier and Cestre's (2007) method; this time, their product-country measure, where respondents write down the countries coming to mind for a given selection of products. The difference in the present study being that a list of countries were presented to respondents. These questionnaires were distributed around Imperial College in the space of a week. Most questionnaires were distributed in the College cafes, restaurants, library and out-

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[5]Nonetheless, note that the product selected for France in both Usunier and Cestre (2007) and the present study was wine.

side classrooms. The questionnaire itself was very short so completing it in on the spot was not an issue.[6] A total of 90 Imperial College students were randomly selected to fill in this questionnaire. Out of these, only 88 of the questionnaires were valid as the rest came with incomplete responses. More than 98% matched the products, according to prior expectations.

Combined, the product selection strategy offers some reassurances regarding the appropriate selection of products for the purposes of this experiment.

3.3   Data Analysis and Results

The experiment in this study involved a 2 (control vs. treatment) $\times$ 5 (countries) $\times$ 3 (central products) $\times$ 3 (peripheral products) mixed factorial design, with between-subjects factors for the first two factors and within-subjects factors for the latter two. The design offered a rigorous setting to test for COO effects. This is achieved by comparing the results between two groups: A (treatment) and B (control). I anticipate to show that those in the treatment group evaluated home country products higher compared to those in the control, who are not aware of the product's COO. Furthermore, I will analyse the CETSCALE questionnaire to see if ethnocentrism has indeed an effect on the participants' choice of products.

Table 3.3 offers some summary statistics of the experimental results. The table is divided in two parts. Panel A reports the proportion of the individuals that selected the product originating from their home country when COO is observed (treatment group). The corresponding statistics when COO is not observed (control group) are reported in Panel B. In general, the results of column (1) drawn

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[6]Please see Appendix A4 for full questionnaire.

from the entire sample, suggest that the proportion of individuals selecting their home product is higher when COO was observed, compared to when it was not, supporting the hypothesis that the COO did indeed affect one's perception of a product. The corresponding statistics for Product Category A (central products) are 77.8% when COO was observed versus 34.7% when it was not ($t = 5.8$, $p < .000$); and, similarly, 63.9% versus 29.3% ($t = 4.45$, $p < .000$) for Product Category B (peripheral products).

Table 3.3: Proportion Selecting Home-Country Product

	All Sample	France	Greece	Italy	Japan	Thailand
			Panel A: COO Observed			
Product A	77.78%***	92.86%***	91.67%***	30.77%	70.59%*	100%***
	(41.87%)	(26.73%)	(28.87%)	(48.04%)	(46.97%)	(0%)
Product B	63.89%***	78.57%	50%*	53.85%**	58.82%*	75%***
	(48.37%)	(42.58%)	(52.22%)	(51.89%)	(50.73%)	(44.72%)
Obs.	*72*	*14*	*12*	*13*	*17*	*16*
			Panel B: COO Not Observed			
Product A	34.67%	7.14%	31.25%	23.08%	43.75%	62.50%
	(47.91%)	(26.73%)	(47.87%)	(43.85%)	(51.23%)	(50%)
Product B	29.33%	57.14%	25%	15.38%	31.25%	18.75%
	(45.84%)	(51.36%)	(44.72%)	(37.55%)	(47.87%)	(40.31%)
Obs.	*75*	*14*	*16*	*13*	*16*	*16*

Notes: Figures represent proportions. Standard deviations reported in parentheses. ***, ** and * denote significance at the 1%, 5% and 10% level, respectively. Note that significant differences are derived from testing the corresponding difference in proportions for a particular product category (e.g., Product A) between Panels A and B.

Focusing on country specific cases, reported in columns (2) to (6), do not alter this general result. The proportion of individuals choosing the product from their home countries is always significantly larger when the COO was revealed, for both

product categories. There are two exceptions to this general observation. The one is France, where this proportion is not statistical significance for Product Category B, the peripheral product ($t = . - 1.202$, $p < .12$), but still holds for Product Category A, the central product. The same holds for Product Category A for Italy, which has got the least difference and is not statistically significant ($t = .426$, $p < .663$). This latter result might be justified given that the prosciutto used in the experiment — despite having been bought from a butcher selling Italian products — was of lower quality. The rest of the products were 'big' brands that arguably meet a certain better standard of quality. Thus, overall, there is no reason to suspect a cultural difference other than the case of Italy just advanced here.

The figures in Table 3.3, and the effects of observing the COO, are more clearly offered in Figure 3.3.

The evidence presented in Table 3.3 is in accordance with hypothesis H1 on COO effects and supports existing evidence on similar studies found in the literature. Although this somewhat indicated the influence COO might have on individual preferences, a rigorous statistical model needs to be formulated in order to test (a) the significance of COO and (b) the size of its effect on individual preferences, after controlling for additional variables that might be determining choice (e.g., subject characteristics). For these purposes a probit regression model of the following form is estimated:

$$HomePreference_i = \beta_0 + \beta_1 COO + \epsilon_i \tag{3.1}$$

Where, $HomePreference$ is a binary variable taking the value of 1 if respondent

Product Category A: Central Products

Product Category B: Peripheral Products
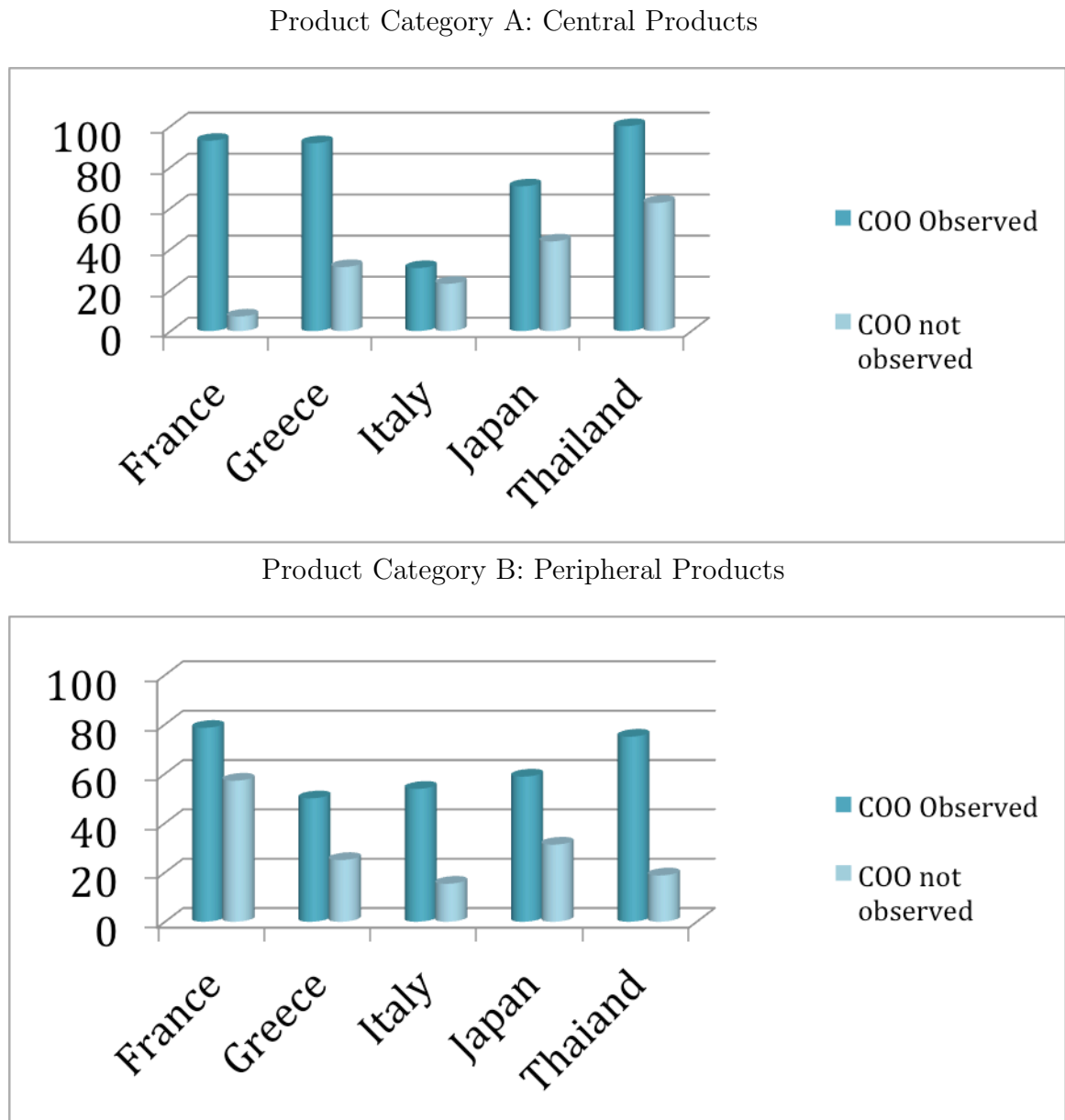
Figure 3.3: The Effect of COO on Choice

i's first preference is the product originating from his/her home country, and 0 otherwise. COO is also a binary variable indicating whether the country of origin of the product was observed. ϵ represents the error term. The β's are coefficients to be estimated. Equation 3.1 is separately estimated for Product Categories A and B.

There are a few notes worth mentioning at this stage.[7] First, the estimated coefficients, β_i, in equation 3.1 do not represent marginal effects as in the case of OLS regressions. Thus, marginal effects need to be calculated following the probit estimation. For the case of independent dummy variables, such as COO, these are calculated as the difference between the preference probabilities when COO takes the value of unity and that of zero (Greene, 2003: 668).

Second, equation 3.1 can also be estimated using a logit instead of a probit model. The difference between the two lies in the distributional assumptions of the error term, ϵ. The probit model assumes the error term follows the Normal distribution, whereas the logit model assumes the error term follows the logistic distribution. The choice between the two models is entirely arbitrary, as it is well documented in the literature that the choice between the two is not theoretically hardwired (Greene, 2003: 666-667). Thus, although the estimated coefficients between the two models would have been different, the sign and statistical significance would not have differed. Besides, it has been estimated that the estimated coefficients of probit and logit models are linearly related; multiplying the probit estimates by 1.6 approximately gives the results of the logit estimates (Amemiya, 1981).

Estimation results for the probit model are reported in Table 3.4, under Product Categories A and B, respectively. The coefficient of COO is positive and highly

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[7]These also apply to forthcoming chapters estimating similar regression models.

significant, at the 1% level. The value of its marginal effect suggests that when country of origin is observed, the probability that an individual will select the product from his/her own country increases by 43.11% and 34.56% for Product Categories A and B, respectively.

Next, a number of additional specifications are being estimated. In the respective columns (2), country fixed effects are controlled for by including country-specific dummy variables. Since different products were offered to individuals from different countries, this specification also controls for the effect of different products on preferences implicitly. Note that these are estimated and interpreted in reference to the country omitted; denoted as the 'base' category in the table. It is important to also note that altering the base category affects only the relative coefficients and interpretation of the countries, not those of the remaining, non-country, variables.

Columns (3) also add individual characteristics, which might in principle affect preferences. These are age, gender, education dummies, occupation dummies and income dummies. Finally, Columns (4) repeats the estimation of column (3), but reports robust standard errors clustered at the country level — instead of (simply) robust standard errors as reported in the previous three columns. These allow for correlation of the error term within cluster (i.e. within subjects of the same country in this case), but not between clusters.[8]

Under all specifications, the estimated coefficient of COO is quite robust; meaning that it remains positive and highly significant. Particularly, the results of the simplest model (i.e. of equation 3.1) are underestimating the effect of COO on individual preferences. As it can be observed, each additional specification used to

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[8]Note here that a different estimation of the standard errors does not change the estimate of the coefficient, only that of the standard error.

Table 3.4: Probit Regression Results

	Product Category A				Product Category B			
	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
COO Observed	1.159***	1.359***	1.829***	1.829***	0.899***	0.931***	1.12***	1.12***
	(0.223)	(0.244)	(0.322)	(0.357)	(0.216)	(0.221)	(0.25)	(0.169)
Country Effects:								
France		-1.13***	-0.977**	-0.977**		0.597	0.51	0.51***
		(0.337)	(0.377)	(0.251)		(0.344)	(0.357)	(0.156)
Greece		-0.782**	-0.796	-0.796**		-0.24	0.229	0.229
		(0.362)	(0.535)	(0.324)		(0.339)	(0.418)	(0.208)
Italy		-1.83***	-1.84***	-1.84***		-0.355	-0.107	-0.107
		(0.436)	(0.472)	(0.254)		(0.34)	(0.361)	(0.176)
Japan		-0.927**	-1.206***	-1.206***		-0.05	-0.182	-0.182
		(0.369)	(0.411)	(0.136)		(0.319)	(0.366)	(0.145)
Thailand		*base*	*base*	*base*		*base*	*base*	*base*
COO Marginal Effect	0.431	0.491	0.619	0.619	0.346	0.3573	0.422	0.422
Country Effects	NO	YES	YES	YES	NO	YES	YES	YES
Respondent Char.	NO	NO	YES	YES	NO	NO	YES	YES
Obs.	147	147	147	147	147	147	147	147
Log-Pseudolikelihood	-86.541	-74.769	-65.785	-65.785	-92.475	-88.22	-81.149	-81.149
Pseudo-R^2	0.142	0.259	0.348	0.348	0.089	0.131	0.2	0.2

Notes: Regressions are probits. Dependent variable is the subject's first preference being the product from the home country. ***, ** indicate significance at the 1% and 5% level, respectively. Robust standard errors reported in parentheses. Column (4) reports robust standard errors clustered at the country level. Thailand is the reference (base) category for the country effect coefficients.

increase heterogeneity between respondents, increases the COO estimate. In the, arguably, most appropriate specification controlling for both country effects and respondent characteristics, the probability of an individual preferring the product from his/her country of origin significantly increases by 61.93% and 42.23% for Product Categories A and B, respectively (see row labelled 'COO Marginal Effect').

Finally, recall that in this experiment, subjects from all nations sampled tasted and revealed their preferences across two product categories. Since preferences across product categories are made by the same individual, it is plausible that the error terms in the two preference equations are correlated. If this is the case, estimating equation 3.1 separately for each product category might lead to biased results. This possibility is resolved by applying a bivariate probit model. In their simplest forms — that is, without any country or respondent characteristics — the two equations of interest under this specification are:

$$HomePreference_{i,A} = \alpha_0 + \alpha_1 COO_A + \epsilon_{i,A} \qquad (3.2)$$

and

$$HomePreference_{i,B} = \delta_0 + \delta_1 COO_B + \epsilon_{i,B} \qquad (3.3)$$

All variables are defined as above, where the A and B subscripts indicate the product category for which each equation is being estimated for. The assumptions of this model is that the two error terms, $\epsilon_{i,A}$ and $\epsilon_{i,B}$, are correlated. That is, $Cov(\epsilon_{i,A}, \epsilon_{i,B}) = \rho$, with ρ denoting the correlation coefficient (Wooldridge, 2002).

Equations 3.2 and 3.3 are jointly estimated. For brevity, Table 3.5 reports only the results based on the specification controlling for country fixed effects and individual characteristics and using cluster-robust standard errors (these are the

corresponding results under columns (4) in Table 3.4). These hold the same inter-pretation and are marginally different to the ones reported in Table 3.4. Notably, a Wald test testing the null hypothesis that $\rho = 0$ is not rejected at the usual levels of significance ($\chi^2_{(1)} = 0.368, p = .544$). This suggests that the errors of the two equations are not significantly correlated, implying that the bivariate probit model is not a necessary specification in this context and we can confidently base our findings to the results provided by the simple (univariate) probit estimates provided in Table 3.4.

Table 3.5: Bivariate Probit Regression Results

	Product Category A	*Product Category B*
COO Observed	1.65***	1.177***
	(0.315)	(0.177)
Country Effects:		
France	-0.977***	0.515***
	(0.264)	(0.152)
Greece	-0.814**	0.222
	(0.34)	(0.203)
Italy	-1.852***	-0.103
	(0.276)	(0.172)
Japan	-1.205***	-0.18
	(0.137)	(0.763)
Thailand	*base*	*base*
COO Marginal Effect	0.517	
ρ	0.11	
	(0.18)	
Country Effects	YES	
Respondent Char.	YES	
Obs.	147	
Log-Pseudolikelihood	-146.512	

Notes: Regression is bivariate probit. Dependent variable is the subject's first preference being the product from the home country under Product Categories A and B, respectively. ***, ** indicate significance at the 1% and 5% level, respectively. Robust standard errors clustered at the country level are reported in parentheses.

Looking into the CETSCALE, Cronbach's *Alpha* was estimated to test the reliability of the relevant questionnaire. The estimate of $\alpha = .91$ suggests the scale is highly reliable, in accordance to previous evidence in the literature; see for example Netemeyer et al. (1991). The CETSCALE measure is included in the probit regression model as an independent variable, and also interacted with the 'COO Observed' variable. This interaction essentially estimates the impact of the CETSCALE on preferences for the home product for those in the treatment group. Neither estimates of CETSCALE and CETSCALE×COO Observed are statistically significant for either product categories, after controlling for country fixed effects and respondent demographics (Table 3.6).

This is not surprising as several studies from the recent literature tend to find that CE has a small or no effect (e.g., Acharya and Elliott, 2003; Moon and Jain, 2002). Furthermore, ethnocentrism has been documented to vary a lot through different cultures. For example, a study by Tsai et al. (2013) shows that American consumers are far more ethnocentric than Chinese consumers, and a separate study shows that Ethiopian consumers are only moderately ethnocentric (Mangnale et al., 2011). More importantly, Josiassen et al. (2011) suggests finds age to be an important moderator of CE; which has implications for this study, since participants are post-graduate students, thus are of similar age. In addition, Meeusen et al. (2013) argued that consumer ethnocentrism is more pronounced amongst the least educated; hence non-significance here might again be attributed to the characteristics of the sample used, consisting of University students. These findings hence are not sufficient to support hypothesis H2.

Table 3.6: CETSCALE and COO

	Product Category A	Product Category B
COO Observed	2.643***	1.13***
	(0.994)	(0.256)
CETSCALE	0.108	0.22
	(0.168)	(0.158)
CETSCALE×COO Observed	-0.31	0.022
	(0.291)	(0.272)
Country Effects:		
France	-0.995**	0.655
	(0.391)	(0.369)
Greece	-0.808	0.213
	(0.527)	(0.419)
Italy	-1.849***	-0.004
	(0.478)	(0.374)
Japan	-1.215***	-0.102
	(0.418)	(0.376)
Thailand	*base*	*base*
Country Effects	YES	YES
Respondent Char.	YES	YES
Obs.	147	147
Log-Pseudolikelihood	-65.766	-78.799
Pseudo-R^2	0.348	0.224

Notes: Regressions are probits. Dependent variable is the subject's first preference being the product from the home country. ***, ** indicate significance at the 1% and 5% level, respectively. Robust standard errors reported in parentheses.

3.4 Discussion

This chapter seeks to offer more robust evidence for COO effects relating to consumable (i.e. food and drink) products. It achieves this by (a) studying a multi-cultural sample, and (b) adopting a rigorous experiment-led approach under which subjects experience (taste) the products studied, which have been appropriately selected following pre-testing.

In relation to (a), the present analysis is the first to be conducted on multiple cultures and for multiple products, hence offering a rigorous test for COO effects. The five cultures considered here include France, Greece, Italy, Japan and Thailand. Differences in Hofstede's scores for each country's 'national culture' indeed highlights the cultural diversification of these countries. Results show that, despite the similar level of quality between products, respondents were far more likely to choose a product from their home country rather than one from a foreign country; a result which holds consistently across the five cultures studied.

In addition, these results were significant across product categories; i.e. products for which the country is both famous (central products) and less reputable for (peripheral products). This shows the true effect of the country of origin of a product: people not only prefer the product made in their home country when it is clearly the best choice, but also for other products.

Another major contribution of this study is its experimental-led approach, under point (b). With the exception of Luomala (2007), who only gave participants the option of experiencing the product in question, the overwhelming majority of studies in this area only ask respondents' hypothetical preferences. The limitation associated with the latter approach lies, for example, in its ability to appropriately

capture product quality.

This study also seeks to explain why the home bias effect arose for such consumable products. An attempt to look into the effect of ethnocentrism did not yield any statistically significant results and that hypothesis is therefore dismissed. This is in accordance to relatively recent studies — including for example Acharya and Elliott (2003) on Australians and Moon and Jain (2002) on South Koreans — which find only a moderate and often no effect of CE.

Despite its contributions, this study does not come without limitations. First, the sample consists of students based in London, UK. Student samples and preferences of those foreign students who opt, and can afford, to study abroad render this specific sub-sample of the population non-representative. Second, many participants originated from the university's cultural societies. Becoming a member of such societies is optional. One might, thus, argue that members of those societies might be more prone to feeling 'home-sick' and this might have spill-over effects on their preferences for the home product, hence inflating the impact of the COO. In subsequent chapters I will seek to address these shortcomings and provide empirical evidence that COO effects hold more generally and are not subject to these criticisms.

Chapter 4

Nostalgia and Domestic Country Bias

4.1 Hypothesis

Chapter 3 validated the presence of home country bias using an experimental-led approach and tested the effect of ethnocentrism across a multicultural set of countries. Given the insignificant impact of ethnocentrism, this Chapter seeks to identify other determinants of preferences for COO. More specifically, it focuses on the underlying psychological mechanisms of preferences for COO; which is the main focus of this thesis. Understanding these mechanisms is not only critical for academic, but also for managerial circles, who can use these tools to strengthen COO effects.

The focus here is on nostalgia. Recall from section 2.2 in Chapter 2, that nostalgia is defined as the "sentimental longing for one's past" (Sedikides et al., 2008),

relating to an individual's life, including past events and experiences. Experimental studies have found, for example, that feelings of nostalgia benefit self-esteem and reduce anxiety (Wildschut et al., 2006), increase social bonds and connectedness (Zhou et al., 2008; Wildschut et al., 2010), and increase optimism (Cheung et al., 2013). Besides these experimental findings, nostalgia has also been repeatedly used in marketing practices/strategies to promote a product by influencing consumers' feelings (Stern, 1992; Elliott, 2009; Muehling and Pascal, 2011).

Despite the increasing attention 'nostalgia' has received in the marketing literature, the extent to which it determines consumers' preferences towards home country products has not been previously investigated. This study offers novel evidence in support of this link.

The methodological design of this study shares a number of differences, but also similarities, with that of Chapter 3. In terms of differences, the focus here is on one country out of the five studied in the previous chapter for which COO effects were found to be present: Greece. Moreover, instead of consumable products used previously (i.e. food and drink), the focus here is on music (song products), which allows this experiment to take place online. In terms similarities, the study tests the impact of nostalgia on preferences for home country products again in an experimental setting.

If nostalgia is indeed a moderator of the home bias effect a significant number of participants in the treatment group are expected to opt to listen to — i.e. prefer — the Greek (i.e. home product) versus the foreign song, compared to those in the control group. Beyond the impact nostalgia has on preferences, it is also worth investigating whether those in the treatment group also rate the Greek song higher compared to those in the control group. If song rankings indeed differ, that would

suggest that feelings of nostalgia also affect peoples' perception of how much they like that product. Note that respondents are here requested to listen to the song before rating it.

To sum up, the hypotheses tested in this chapter are the following:

H1: Does nostalgia increase the likelihood that individuals prefer products of domestic origin compared to foreign products?

H2: Does this consequently also result in a more favourable evaluation of domestic products?

4.2 Experimental Design

This section outlines the experimental design and methodology adopted in this study.

4.2.1 Determining the Participants

Due to the central role of nostalgia in this study, it was vital for this experiment to take place in Greece. Conducting this experiment on Greeks living abroad could arguably induce both feelings of nostalgia and home-sickness, not allowing one to disentangle the effect the former has on preferences for home country products.

Designing an intervention to trigger feelings of nostalgia is, however, not trivial. This study used an age-specific intervention to trigger nostalgia. To gain access to an appropriate sample, contact was made with several Greek Universities, both

state and private, based in Greece's two largest cities: Athens (which is also the capital city) and Thessaloniki. Administrators from the Universities' registry were asked to forward by e-mail a link to an online survey to those alumni belonging to the targeted age group. *Survey Monkey*, an online survey development application, was used for the design and link to the survey.

For logistic purposes, the target sample of alumni was individuals born in the late 1970s/early 1980s. The main reason justifying this is the limited records of contact details — e-mail addresses in this case, used to forward the link to the online survey — available for older alumni, such as those born in the 1960s.[1]

The invitation to prospective survey participants included an incentive for participation in the form of a prize draw, according to which one in ten participants would win an iTunes voucher worth £15. In total, 199 Greek subjects (115 females; $M_{age} = 28.6, SD_{age} = 2.81$) participated in this experiment. Note that any responses accidentally received from subjects belonging to a different age group were discarded from the analysis.[2]

4.2.2 Protocol

Participants were randomly divided in two groups: treatment and control. In the treatment group, subjects were first asked to read a short text referring to the typical childhood years of their generation. The text included the types of games that generation used to play and be involved in when they were younger, popular

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[1]To add to this justification, note that internet diffusion in Greece in 2005 (i.e. around the time a person born in the late 1970s/early 1980s would have graduated and become a university alumnus/a) was about 24%. The same statistic for someone graduating around the year 1995 (i.e. corresponding to someone being born in the late 1960s) was 0.7% (see World Bank Databank, http://databank.worldbank.org/data/views/reports/tableview.aspx).

[2]Only six responses fell into this category.

snacks that used to be consumed at the time, and general day-to-day activities that were the norm amongst children in Greece at the time.[3].

The context of this text was not accidentally selected. Rather, it was informed by the relevant pre-testing exercise as appropriate to induce feelings of nostalgia. The pre-testing approach is discussed in section 4.2.3 below.

After reading this text, subjects were asked to type-in the single, strongest, thought or emotion that came to mind while reading the text. The purpose of this task allowed participants to take a moment to properly evaluate the text they had just been presented with. It also acted as a validating mechanism, ensuring that the text just exposed to had indeed triggered feelings of nostalgia. This validation process has been used in previous research focusing on nostalgia (e.g., Wildschut et al., 2006, 2010).

Participants in the control group were instead presented with a text whose purpose was not to induce the feeling of nostalgia. This text was essentially a practical guide of how to take pictures using the best possible natural lighting, as well as using flash. It was written in the same style as the one of the treatment group and was of similar length. Subjects were then also asked to type-in the first thing that came to their mind, just as in the treatment group.

Table 4.1 lists the main categories under which subjects' responses in the treatment and control groups fell into, validating the purposes of both texts used.

The rest of the survey was then common to both individuals in the treatment and control groups. In more detail, subjects faced the following choice: "*In the next*

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[3]An English translation to this text — and to the text for the control group discussed below — is provided in Appendix B1

Table 4.1: Subjects' Responses to Text

Treatment Group	Control Group
Childhood years	Instructions - 'how to'
Memories	Photography
Worry-free	Interesting read
Friends	A specific photo that came into mind
Favourite childhood foods	Camera

section you will be asked to rate a song. Would you like to listen to a Greek or a foreign song?". Note that this choice question does not reveal the artist or title of either song, nor the specific origin/language of the foreign song. Offering subjects this simple choice between a Greek and a foreign song ensures that the 'first order' effects of reading the nostalgic text are more appropriately captured. Importantly, the order in which the Greek and foreign song were presented to participants was randomised in order to avoid order biases.

After having made their choice, participants were then asked to rate how much they liked the song they chose to listen to on a 1-7 scale; with 1 denoting "didn't like it at all" and 7 denoting "liked it very much". This is a 'second order' question investigating whether — in addition to its impact on choice — nostalgia also affected 'likeability' of the product.

A series of demographic questions were then asked of participants, and a final section asked for the voluntary disclosure of their e-mail address in order for them to be included in the random prize draw and be notified, if successful.[4].

Figure 4.1 summarises the experimental design of this study.

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[4]Please see Appendix B2 for a full questionnaire
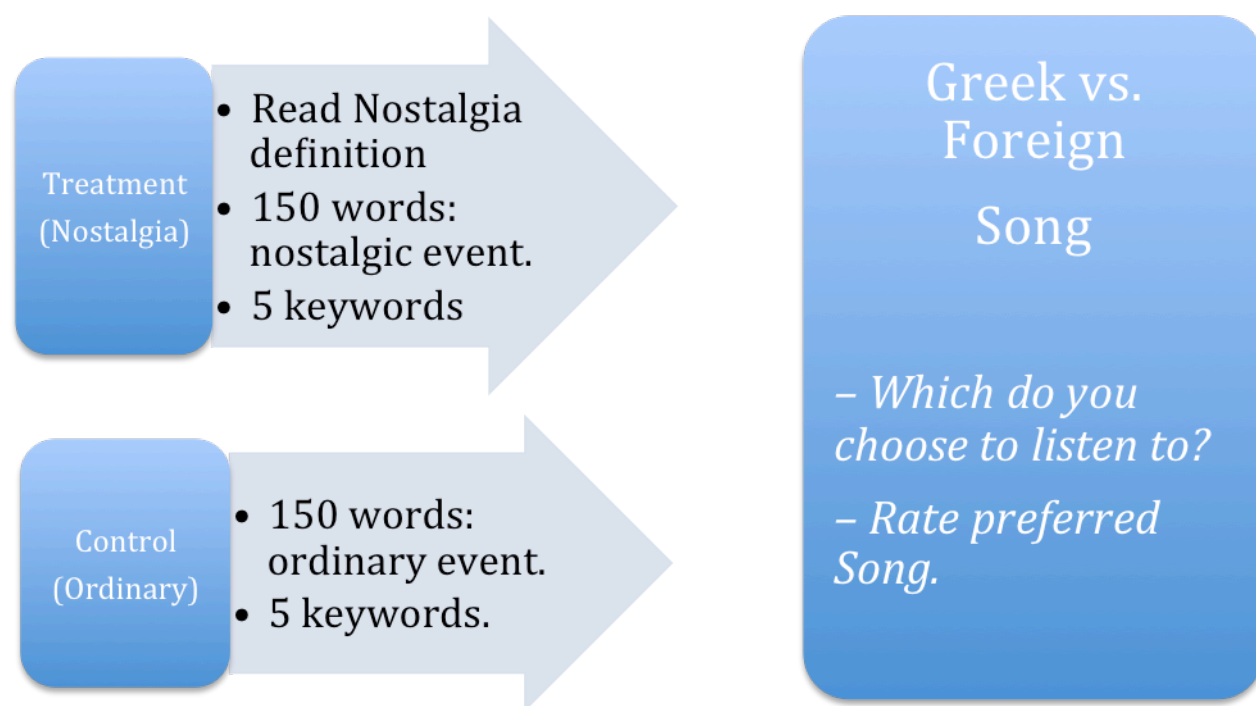
Figure 4.1: The Experiment

4.2.3 Determining the Text and Songs

As mentioned above, the treatment group differed from the control only in terms of the context of the text they were asked to read — whose aim was to trigger feelings of nostalgia in the case of the former, but not in the case of the latter. To ensure the text was capable of doing so, pre-testing was required.

The texts for both groups were initially presented to a comparable set of 60 online respondents — i.e. Greek residents born in the late 1970s/early 1980s. To ensure that these subjects did not take part in the main experiment, they were recruited from Universities from which subjects were not subsequently drawn from to participate in the main study. These participants were presented with both texts and rated them according to how 'happy', 'sad', 'angry', 'nostalgic', and 'excited' they

made them feel on a seven-point scale. The intuition behind the use of these five different emotions was that a broader list of emotions would take the focus away from nostalgia so that participants would not instantly realise what the main purpose of the survey was. That is, a single question on nostalgia would have been too obvious and might have led to strategic responses; inclusion of more than one question mitigates the bias resulting from this.

Results of the pre-test indicated that subjects felt significantly more nostalgic in the treatment ($M_{NostalgiaText} = 6.07$, $SD = 1.34$) compared to the control ($M_{ControlText} = 1.00$, $SD = 0$) text ($t = 20.76$, $p < .001$). In addition, the combined Kolmogorov-Smirnov non-parametric test suggested that the distribution of degrees of nostalgia between treatment and control groups were not equal (*Combined K-S* $= .967$, $p < .001$).

The next challenge was to select appropriate Greek and foreign songs. These needed to be equally appealing so that any differences in ratings between groups can be more confidently attributed to the allocation in the treatment condition. Pre-testing was therefore conducted, asking the same participants to listen to ten Greek and ten foreign (English) songs, and rate them according to how well they knew them and how much they liked them, both on a 0-10 scale. This task ensured that the song selected for each group for the main experiment rank similarly in terms of popularity and 'likeability' by the majority of the participants and would therefore not affect their judgement in a predictive way.

All songs scored similarly in terms of their popularity. Selection of the domestic and foreign song was thus based solely on its likeability. Note here that the aim is not to pick the song with the highest rating, rather pick a Greek and foreign song with similar ratings; so that one is not much more or less preferred compared to

the other, on average ($M_{LikeabilityGreek} = 7.5$, $SD = 1.051$; $M_{LikeabilityForeign} = 7.6$, $SD = 1.353$. $t = -0.26$, $p < .796$).[5]

4.3 Data Analysis and Results

This study consisted of a sample of 199 Greek individuals. Table 4.2 offers some descriptive statistics of the data. About 58% of this sample are female and the mean age is about 29. The overwhelming majority of the sample are single and employed, and 85% are educated up to under-graduate or post-graduate level.

Table 4.2: Nostalgia Summary Statistics

	Mean
Female	57.7
Age	28.6
Single	86.4
Married	12.5
Education: high-school	3
Education: degree level	39.2
Education: MSc	45.73
Education: PhD	11
Education: other	1
Employed	69.3
Taking care of home	18
Student	6.5
Unemployed	6
Income [1-6 scale]	3.1

Notes: For binary variables, figures represent proportions (%)

Having read the texts, respondents in both control and treatment groups were asked to write down the first thing that came to their mind. Two Greek post-

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[5]The title of the Greek song was "M'Aresi Na Min Leo Polla" and that of the English song was "Under the Bridge".

graduate students at Imperial College were recruited to independently rate these responses; in particular, they were asked to rate how nostalgic these responses were on a 1-7 scale. Raters agreed on average (Treatment group: $M_{Rater1} = 4.943, SD = 2.151$ and $M_{Rater2} = 4.217, SD = 1.867$; Control group: $M_{Rater1} = 1.11, SD = 0.75$ and $M_{Rater2} = 1.037, SD = 0.233$), where Cohen's Kappa additionally supports a substantial degree of agreement between them ($k = .709$) (Landis and Koch, 1977). This analysis provides an alternative to a formal manipulation check.

Table 4.3 presents the proportion of individuals in each of the groups — treatment and control — who chose the home-country song. As hypothesised, the overwhelming majority of individuals in the treatment group opted indeed for the Greek song. More importantly, the difference in proportions between the two groups is very large and statistically significant at the 1% level.

Table 4.3: Nostalgia in Treatment and Control Groups

Preference	Group		Difference
	Treatment Nostalgic (N)	Control Non-Nostalgic (NN)	(N−NN)
Home Song (Greek)	68.04%	26.47%	41.57% ***

Notes: Figures represent proportions of individuals. There are 97 observations in the treatment group and 102 in the control. *** $p < 0.01$

Respondents also rated the song of their choice on a 1-7 scale, with 1 denoting 'do not like at all' and 7 denoting 'like very much'. Average ratings for both the Greek and foreign songs are presented in Table 4.4 and Figure 4.2. The data suggest that the rating of the Greek song increased among individuals in the treatment group by more than a point on the scale; a difference which is statistically significant at the 1% level. The rating of the foreign song appears to have been slightly higher in the control (non-nostalgic) group. This difference of about 0.23 points on the

1-7 scale is, however, not statistically significant at conventional levels.

Table 4.4: Average Song Ratings

Song	Group		Difference
	Treatment	Control	
	Nostalgic (N)	Non-Nostalgic (NN)	(N−NN)
Home (Greek)	5.803	4.704	1.099***
Obs.	*66*	*27*	
Foreign (English)	5	5.226	0.227
Obs.	*31*	*75*	

Notes: Figures are average ratings. *** $p < 0.01$

Figure 4.2: The Effect of Nostalgia on Rating of Home Song

Next, in order to quantify the effect of nostalgia, a probit regression model of the following form is estimated.

$$HomeSong_i = \beta_0 + \beta_1 NostalgicText + \beta_2 Demo_i + \epsilon_i \qquad (4.1)$$

The dependent variable denotes whether participant i chose the Greek song —
irrespective of whether that participant belonged to the treatment or control group.
Estimated results are presented in Table 4.5. The main coefficient of interest is that
of Nostalgic Text, which denotes a binary variable equal to 1 if the subject belongs
in the treatment (nostalgic) group, and 0 otherwise. Its coefficient essentially
estimates the impact of the nostalgic text on the probability of choosing the home-
country (i.e. Greek) song. The regression model additionally controls for a set of
demographic characteristics of the respondent (*Demo*) to test whether these are
significant determinants of choice. These are: age, gender, marital status, highest
education level reached, occupational status and income band.

Table 4.5: Probit Results on Song Preference

	Probit Coefficients	Marginal Effects
Nostalgic Text	1.152 *** (0.197)	0.43*** (0.066)
Constant	-0.622 (1.25)	
Female	0.085 (0.212)	0.033 (0.084)
Age	0.032 (0.040)	0.012 (0.015)
Respondent Demographics	Yes	
Observations	197	
Pseudo-R^2	0.163	

Notes: Regression is probit. Dependent variable is the preference of the home-country
song. *** denotes significance at the 1% level.

The estimates suggest that being allocated in the treatment group, and thus read-
ing the nostalgic text, had a positive and statistically significant impact on pref-
erence for the Greek song. The probability of choosing the home-country song
increases by 43% in the treatment group, as suggested by the marginal effect
provided in the second column. Interestingly, none of the demographic variables
appear to be significantly affecting the probability of selecting the Greek song; for
brevity, only the estimates for gender and age are presented.

To investigate the impact of the nostalgic text on the rating of the song, an OLS regression model is estimated based on equation 4.2 below.

$$SongRating_i = \beta_0 + \beta_1 NostalgicText + \beta_2 Demo_i + \epsilon_i \tag{4.2}$$

As above, the model controls for the subject's characteristics. Results are presented in Table 4.6, which reports three sets of results. Columns (1) and (2) separately estimate the impact of the nostalgic text on the ratings of the home and foreign songs. The results suggest that the nostalgic text increased Greek song ratings by about 0.8 points on a 1-7 scale, and had no statistically significant effect on the ratings of the foreign song.

Table 4.6: Regression Results on Song Ratings

	(1) Greek Rating	(2) Foreign Rating	(3) Combined
Nostalgic Text	0.788** (0.386)	0.09 (0.36)	-0.197 (0.359)
Greek Song			-0.409 (0.375)
Nostalgic Text × Greek Song			1.091** (0.521)
Female	0.352 (0.365)	0.378 (0.366)	0.32 (0.253)
Age	-0.057 (0.07)	-0.053 (0.076)	-0.062 (0.052)
Constant	5.785** (2.327)	6.912 (2.002)	6.774*** (1.469)
Demographics	Yes	Yes	Yes
Observations	94	105	199
R^2	0.144	0.15	0.144

Notes: Regressions are OLS. Dependent variable is the song rating. ***, ** denote significance at the 1% and 5% level, respectively.

In column (3) a slightly different model to that depicted in equation 4.2 is being estimated. Observations from columns (1) and (2) are here pooled together in order to estimate the impact of the nostalgic text in the overall data. To achieve this, two new variables are formulated. First, a binary variable denoting whether

the respondent rated a Greek song or otherwise, denoted by *Greek Song*. Second, this binary variable is interacted with the binary variable indicating whether the respondent was in the treatment group (*Nostalgic Text*). Hence, this interaction essentially captures the impact the nostalgic text had on the ratings of the Greek song only.

The results in column (3) suggest that in the overall sample, the nostalgic text did not by itself affect ratings in a statistically significant manner — see coefficient of *Nostalgic Text*. Furthermore, ratings to the Greek song did not significantly differ by those of the foreign song, on average. This last finding gives additional support to the pre-testing exercise regarding the appropriate choice of songs, indicating that the two songs chosen were equally appealing to participants of that age category. The interaction of these two terms, however, $NostalgicText \times GreekSong$, suggests that the ratings of the Greek song selected by individuals allocated in the treatment group significantly increased by about 1.1 points.

4.4 Discussion

This study contributes to the literature in a number of ways. First, and foremost, it seeks to understand the underlying psychological mechanisms of COO effects. In doing so, the focus is placed on feelings of nostalgia. Second, the study departs from the use of product categories widely used in COO studies, such as food products, and uses instead a product that has not been previously examined in the literature: songs. Third, in addition to analysing preferences towards domestic versus foreign songs, this study also analyses ratings given to the song chosen.

Results suggest that participants in the nostalgia condition (treatment group)

were far more likely to select the domestic product (Greek song) compared to participants in the control condition. In addition, participants in the treatment group who chose and listened to the Greek song, rated it significantly higher than participants in the control group who also selected and listened to the Greek song. Thus, higher ratings in the treatment group can not be attributed to cognitive dissonance — postulating that subjects would rate songs higher in order to comply with their earlier choice (Festinger, 1962) — as this argument is not exclusive to the treatment group.

There are of course limitations to this study. First, the sample consisted of a specific sub-group of the population: all individuals sampled are educated up to a higher education degree. Second, the nostalgia inducement approach applied here targeted a specific memory of a specific age group: those born in the late 1970s/early 1980s. As described in the nostalgic text (see Appendix B1), the memories of this generation are full of high levels of social contact during their childhood; something that in a world of high technological penetration (e.g., the increasing use of online social networks) might not be necessarily true for more recent generations. Hence, the central question remaining is to identify broader nostalgia-related inducements approaches.

Despite these limitations, what this study shows is that feelings of nostalgia seem to not only increase preferences towards domestic products, but also significantly affect perceptions (i.e. 'likeability') about them.

Chapter 5

Collective Nostalgia, DCB and Product Centrality

5.1 Hypothesis

Chapter 4 used feelings of nostalgia as an inducement of COO preferences for songs and tested whether nostalgia also has an impact on perceived song likeability. This chapter builds on those novel findings and extends our understanding regarding the relationship between nostalgia and COO effects.

The focus here is on 'collective nostalgia'. Recall from section 2.2.4 in Chapter 2, that this measure is fundamentally different to the measure of nostalgia used in Chapter 4. There, the measure of nostalgia was referring to past events that the respondent experienced alone. This can be referred to as 'personal nostalgia'. Although there is no flaw associated with the use of this measure, some scholars argue that events/experiences/etc. that people feel nostalgic about most often take

place in a social context involving others — hence the term 'collective nostalgia' (Hepper et al., 2012; Holak and Havlena, 1992; Wildschut et al., 2006; Sedikides et al., 2009).

Relatively recent experimental evidence suggests that collective nostalgia influences tangible decisions to support the in-group, however defined (e.g. family, friends, colleagues, culture). For example, collective nostalgia results in in-group members to evaluate the in-group more positively and strengthens behavioural intentions to support it (Wildschut et al., 2014). In line with these findings, this study aims to explore whether collective nostalgia is likely to increase peoples' support for the domestic economy (i.e. cultural in-group) by preferring domestic, rather than foreign, products.

Thus, the main difference between this experiment and the one presented in Chapter 4 above is the use of a different inducement: collective, instead of individual, nostalgia. The collective nostalgia inducement used here has been validated in numerous studies in the UK, the US and China (Wildschut et al. 2006, 2010; Routledge et al., 2008, 2011, 2012; Hepper et al., 2012; Stephan et al., 2012; Cheung et al., 2013; van Tilburg et al., 2013; Zhou et al., 2008, 2012a; 2012b).

Similar to Chapter 4, after eliciting subjects' preferences between the domestic and foreign products, participants were again subsequently asked to listen to/watch the product of their preference and then rate its likeability. Here, though, they were additionally asked to also rate the product they did not choose. This will offer more robust evidence in regards to whether ratings are indeed affected by the collective nostalgia inducement.

Moreover — and in contrast to Chapter 4 — an additional dimension is considered in this study: that of product centrality; that is, products which are perceived to be

central to a consumer's collective identity. Previous research, for example, suggests that individuals place more value on central compared to peripheral dimensions (Crocker and Wolfe, 2001; Crocker, 2002). This is true for both group and individual contexts (Sedikides et al., 2003). Furthermore, centrality is important in the context of product choice as material possessions are a major contributor to, and reflections of, people's identity (Belk, 1988). This study will use songs and series clips, offering evidence suggesting that the former is a central product and the latter a peripheral product to Greeks.

Overall, it is expected that the effects of collective nostalgia will be strong enough to affect tangible behaviour and preferences — rather than just behavioural intentions — by altering participants' perceptions of how much they actually like/rate a product. This effect is expected to be larger for central products.

To sum up, the hypotheses examined in this chapter are:

H1: Does collective nostalgia increase the likelihood that individuals prefer products of domestic origin compared to foreign products?

H2: Are subjects recollecting a collective nostalgic event more likely to rate domestic products higher than foreign products?

H3: Are the effects of collective nostalgia dependent on the centrality of the product? Is the effect stronger for central, compared to peripheral, products?

5.2 Experimental Design

This section outlines the experimental design adopted in this Chapter.

5.2.1   Determining the Participants

This experiment consisted of 104 Greek participants (66 females; $M_{age} = 29.1$, $SD_{age} = 3.69$). Due to the nature of the experiment and its similarities to the previous chapter, but also for comparability purposes, respondents needed to be residing in Greece and born in the late 1970s/early 1980s. Once again, assistance provided by administrators of major Greek Universities was necessary in order to gain access to Greek residents of that generation. The study was conducted online, using *Qualtrics*, an online survey development application used to design and forward the link to the survey.

Similar to previous chapters in this Thesis, a voluntary prize draw was offered as an incentive for subjects to participate in this experiment. In this occasion the incentive was a 10% chance of winning a 15 Euros iTunes voucher. Responses were anonymous, with the exception of those subjects who wished to disclose their personal details in order to participate in the study's prize draw and be notified, if successful.

5.2.2   Protocol

The design of this experiment shares a lot of similarities with that of Chapter 4; with differences focusing, as already mentioned, on the inducement, rating tasks, and product centrality.

Subjects were randomly allocated into one of two groups: treatment and control. Those in the former group — also referred to as 'collective treatment' here — were first presented with a short dictionary definition of nostalgia. They were

then subsequently asked to think of a nostalgic event that they had experienced in the past together with fellow Greeks (collective nostalgia) and instructed to describe this experience in a minimum of 150 words. Participants were especially asked to focus on the reasons the event in mind made them feel nostalgic. The rationale behind the required word length associated with this task was to ensure that participants were putting considerable effort in thinking and summarising such an event, which would in turn arguably intensify and prolong the feeling of nostalgia. Use of a less effortful task involving, for example, a two or three lines summary of the experience might have resulted in a superficial level of inducement, and possibly of limited duration as well.

Following this writing task, subjects were asked to provide five keywords that came to mind in relation to the experience they had just described. This task essentially acted as a validating mechanism, ensuring that the event just described had triggered feelings of collective nostalgia. This validation process has been used in previous research focusing on individual nostalgia (Routledge et al., 2011; Wildschut et al., 2006, 2010; Zhou et al., 2008).

In the control group — also referred to here as 'collective ordinary' — participants were instead asked to think of an ordinary event that they had experienced in the past with fellow Greeks. Similar to the treatment group, they were then also asked to write 150 words describing this experience and provide five keywords related to that event.[1]

Having completed the allocated tasks, subjects in both groups were asked to indicate whether they preferred listening to one of two songs *and* watching one of two short clips from a TV series. These options were offered in a step-wise fashion.

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[1]Please see Appendix C1 for full questionnaire of both groups.

So, for example, half the participants started with a choice between two songs and then moved on to a choice between two TV clips, and vice-versa. For each of these product categories — songs and TV series — one of the two options originated from the home country (i.e. Greece) and the other one was foreign. Importantly, and similarly to Chapter 4, the titles of the songs/TV clips and names of artists/stars involved were concealed at the point of choice; the only information communicated to subjects at that point was the COO of the song/series.

In this experiment, songs were the 'high-centrality' product, and TV series were the 'low-centrality' product. Empirical evidence justifying this claim is presented in the pre-testing section that follows.

Once participants made their selection they actually experienced the product of their choice by listening to/watching it and subsequently rating it on a 1-7 scale; with 1 denoting "did not like it at all" and 7 denoting "liked it very much". Once participants finished rating the song/TV series of their choice, they were then asked to also experience (listen or watch) the option forgone and subsequently rate it on the same scale. The same procedure was then followed for the other product category; that is, if a subject started with the songs, she had to repeat it with the TV series, and vice-versa. Essentially, all participants rated a Greek and a foreign song, as well as a Greek and a foreign TV clip.[2]

Figure 5.1 summarises the experimental design of this study.

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[2] Please see Appendix C2 for full questionnaire.
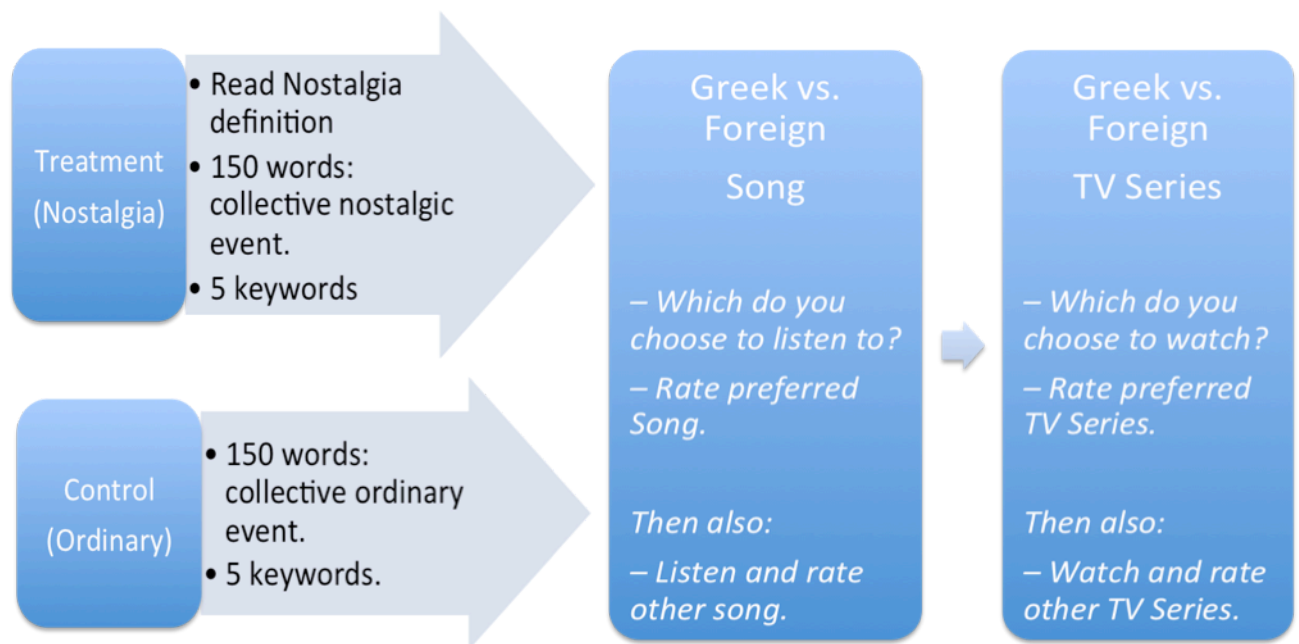
Figure 5.1: The Experiment

5.2.3 Determining the Products

For comparability, the Greek and foreign (English) songs studied here were the same as those in Chapter 4; please refer to section 4.2.3 above. A similar procedure was followed in selecting appropriate home and foreign TV clips. As before, these needed to be equally appealing so that any differences in ratings between treatment and control can be more confidently attributed to the allocation of participants in the treatment condition. The same participants involved in the pre-testing exercise discussed in section 4.2.3 were contacted again via their University administrator, asking them to watch five short Greek and English TV clips of similar duration, and rate them according to how well they knew them and how much they liked them. The TV clips used for the main experiment were the ones whose popularity

and 'likeability' score were similar.[3]

The concept of product centrality is a critical hypothesis in this study. In order to establish the prior that songs are indeed a high centrality product of Greece and TV series are not, this sample of comparable Greeks who were involved in the pre-testing exercise, were also asked to rate the following items for music songs *and* TV series:

- How important is music/are TV series to Greek identity?

- How central is music/are TV series to being Greek?

- To what extent, does music/do TV series define 'Greekness'?

- Being Greek is strongly linked to music/TV series.

- Music is/TV series are a natural expression of being Greek.

Responses were given on a 1-7 scale, with 1 denoting "not at all/do not agree" and 7 denoting "very/completely agree". The order of products was again randomised to avoid possible order effects: about half of the respondents were asked to rate the above statements on music songs first before answering the same statements for TV series, and vice versa.

Reports given to the five items above were averaged into a single 'centrality index' ($\alpha = .91$). The results of a two-way mixed ANOVA with centrality index as the dependent variable and the within-subjects factor "domain" (music-TV series) and the between-subjects factor "order" (music first/TV series first) revealed a

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[3]The Greek TV clip was based on an episode of the series "Oi Aparadektoi" and the English TV clip was based on an episode of the series "Friends".

statistically significant main effect for "domain" only ($M_{music} = 5.19$, $SD_{music} = 1.42$; $M_{TV} = 2.19$, $SD_{TV} = 1.08$; $F[1, 23] = 70.93$, $p < .001$, $h = .76$). Results, thus, suggest that music songs are indeed a high centrality product for Greece, whereas TV series are not.

5.3 Data Analysis and Results

This study consisted of a sample of 104 Greeks. The relatively lower number of observations compared to the previous chapter can be justified based on the more lengthy tasks associated with this study. Table 5.1 offers some descriptive statistics of the sample. The mean age was about 29 and 66% of the sample were females. The majority of the sample was made up of individuals who were single (73%); with 23% of the sample being married. Nearly three-quarters of the sample were educated up to an under-graduate or post-graduate level.

Table 5.1: Nostalgia Summary Statistics

	Mean
Female	63.5
Age	29.2
Single	75
Married	23
Education: high-school	9.6
Education: degree level	23.1
Education: MSc	49
Education: PhD	18.3
Employed	75
Student	13.5
Unemployed	9.6
Other Occupation	1.9
Income [1-6 scale]	3.16

Notes: for binary variables, figures represent proportions (%).

Table 5.2: Nostalgia in Treatment and Control Groups

Preference	Group		Difference
	Treatment	Control	(N−NN)
	Collective Nostalgic (N)	Collective Non-Nostalgic (NN)	
Home Song	80.77%	38.46%	42.31% ***
Home TV Series	73.08%	32.69%	40.38% ***

Notes: Figures represent proportions of individuals. There are 52 participants in both the treatment and control groups. *** $p < 0.01$

Table 5.2 indicates the proportion of individuals in each of the two groups (treatment and control) that preferred the home-country song and home-country TV series. The overwhelming majority of individuals in the treatment group opted for the Greek products. More importantly, the difference in these proportions between the treatment and control groups is very large and statistically significant at the 1% level.

Next, the results of a probit regression model for home product preferences are presented in Table 5.3. The results of this model are based on equation 5.1, which estimates the impact of the collective nostalgic inducement on the probability of choosing the home-country product. The regression model additionally controls for the demographic characteristics of subjects, including age, gender, marital status, highest education level reached, occupational status and income band. Furthermore, the model controls for order effects — that is, whether the subject was asked to rate a song or TV series first.

Equation 5.1 is estimated twice for each product category; that is, for songs and

TV Series.

$$HomePreference_i = \beta_0 + \beta_1 CollectiveNostalgia + \beta_2 Demo_i + \beta_3 Order + \epsilon_i \quad (5.1)$$

For songs, being allocated in the treatment group had a positive and statistically significant impact on home product preference. The probability of choosing the home-country song increases by 47% in the treatment group (see marginal effects column). Interestingly, order effects are not estimated to have a statistically significant impact on preference. This is also true for participant's gender and age. Running the regression without these additional demographic controls has only a marginal difference in the results.

For TV Series, the results hold similar interpretations, suggesting that subjects in the treatment group were 51% more likely to choose the Greek TV series over the foreign one. Order again had no significant effect on home product choice.

Having established the preference participants in the treatment group had for the home-country products, the next step focuses on the ratings given to each of those products. Recall at this point that subjects rated both songs and TV series for each of these product categories. Hence, contrary to the findings presented in Chapter 4 — where the results suggested that subjects in the treatment group rated the Greek song higher than participants in the control group — the experimental design of this study allows to test whether subjects rated the Greek song higher than the foreign song, by group.

In order to test the impact on ratings, a paired t-test is first calculated. For the

Table 5.3: Probit Results on Home Product Preference

	Song		TV Series	
	Coefficients	Marginal Effects	Coefficients	Marginal Effects
Treatment	1.343***	0.472***	1.385 ***	0.51***
	(0.299)	(0.092)	(0.305)	(0.096)
Constant	2.443		-0.609	
	(1.666)		(1.495)	
Order	-0.284	-0.106	-0.222	-0.088
	(0.304)	(0.112)	(0.283)	(0.112)
Female	0.353	0.133	0.069	0.027
	(0.335)	(0.128)	(0.31)	(0.123)
Age	-0.093	-0.035	-0.028	-0.011
	(0.058)	(0.022)	(0.047)	(0.019)
Marital Status	Yes		Yes	
Education	Yes		Yes	
Occupation	Yes		Yes	
Income level	Yes		Yes	
Observations	100		102	
Pseudo-R^2	0.255		0.183	

Notes: Regressions are probits. Dependent variable is the preference of the home-country song/TV series. *** denotes significance at the 1% level.

song ratings (panel A, Table 5.4), this suggests that subjects in the treatment group who chose the Greek song rated it higher than the foreign song; a difference in ratings of 2.071 on a 1-7 scale, which is statistically significant at the 1% level. No statistically significant difference in ratings between the two songs can be found for the control group; this finding supports the similar 'likeability' between the two songs. Combined, these results suggest that the inducement associated with the treatment group affected subjects' perceptions of the quality of the songs, resulting in a significantly higher rating of the home-country song.

The results for the TV series (panel B, Table 5.4), follow the same pattern. The rating of the home TV series, for those who selected it, is rated significantly higher

Table 5.4: Average Rating of Products for those Selecting Home Product

	Group		
Panel A: Songs	Greek (N)	Foreign (NN)	Difference (N−NN)
Treatment (Nostalgic)	6.261	4.19	2.071***
Obs.	*42*	*42*	
Control (Non-Nostalgic)	5.6	5.8	-0.2
Obs.	*20*	*20*	
Panel B: TV Series			
Treatment (Nostalgic)	5.736	4.605	1.131***
Obs.	*38*	*38*	
Control (Non-Nostalgic)	5.764	5.411	0.352
Obs.	*17*	*17*	

Notes: Figures are average ratings. *** $p < 0.01$

than that of the foreign one. No major differences in ratings can be observed for those in the control group; evidence supporting again the appropriateness of selection of the Greek and English TV clips. Notably though, the difference in ratings of TV series for those in the treatment group is not as pronounced. In fact, it is nearly half the size of the difference in ratings of songs: 1.131 points on a 1-7 scale, compared to 2.071 for the case of songs. This difference provides supportive evidence to the hypothesis that the nostalgic inducement will have a stronger effect on central compared to peripheral products.

Next, a mixed design ANOVA is used that incorporates the repeated measures of the ratings. This model checks for within-subject differences of the ratings (e.g., Greek song rating vs. foreign song rating) and also for between-subjects effects of the group (treatment vs. control) and order effects. Tables 5.5 and 5.6 offer descriptive statistics relevant to this ANOVA for song and TV series ratings, respectively.

For song ratings, the ANOVA results suggest that the difference in ratings is statistically significant ($F = 12.4$, $p < .05$). In addition, the group one is allocated to (treatment vs. control) statistically affected ratings ($F = 28.5$, $p < .05$), but the order did not ($F < 1$). This supports the results of the paired t-test discussed above. Results for the TV series ratings are along the same lines. The difference in ratings is statistically significant ($F = 7.3$, $p < .05$) and the group participants are allocated into affected ratings ($F = 6.2$, $p < .05$), but the order again did not ($F < 1$).

Table 5.5: Descriptive Statistics: Songs

	Group	Order	Mean	Std. Dev.	N
Greek song rating	Control	Series first	5.576	0.945	26
		Song first	4.846	1.515	26
		Total	5.211	1.303	52
	Treatment	Series first	5.961	1.37	26
		Song first	6.076	1.293	26
		Total	6.019	1.32	52
	Total	Series first	5.769	1.181	52
		Song first	5.461	1.527	52
		Total	5.615	1.367	104
Foreign song rating	Control	Series first	5.653	1.164	26
		Song first	5.423	1.331	26
		Total	5.538	1.243	52
	Treatment	Series first	4.423	1.77	26
		Song first	4.423	0.986	26
		Total	4.423	1.419	52
	Total	Series first	5.038	1.608	52
		Song first	4.923	1.265	52
		Total	4.98	1.441	104

Notes: Where 'order' denotes whether subjects were presented with a song or TV series choice first.

Adding now the centrality variable to determine whether there is a difference in the results for the two product categories, a 3-way mixed ANOVA is estimated.

Table 5.6: Descriptive Statistics: TV Series

	Group	Order	Mean	Std. Dev.	N
Greek series rating	Control	Series first	5.269	1.218	26
		Song first	5.346	1.495	26
		Total	5.307	1.35	52
	Treatment	Series first	5.538	1.502	26
		Song first	5.615	1.358	26
		Total	5.576	1.419	52
	Total	Series first	5.403	1.361	52
		Song first	5.48	1.421	52
		Total	5.442	1.385	104
Foreign series rating	Control	Series first	4.73	1.638	26
		Song first	5.807	1.2	26
		Total	5.269	1.522	52
	Treatment	Series first	4.538	1.654	26
		Song first	4.692	1.934	26
		Total	4.615	1.783	52
	Total	Series first	4.634	1.633	52
		Song first	5.25	1.69	52
		Total	4.942	1.682	104

Notes: Where 'order' denotes whether subjects were presented with a song or TV series choice first.

Within-subjects factor are the 'product origin' (Greek vs. foreign) and 'product centrality' (songs vs. TV clips); between-subjects factor is the 'group' (treatment vs. control). Results show a significant main effect for 'product origin' ($F[1, 102] = 17.86$, $p < .001$, $\eta^2 = .15$). There is also a significant interaction between 'group' and 'product origin' ($F[1, 102] = 18.42$, $p < .001$, $\eta^2 = .15$). Finally, as hypothesised, results suggest a significant three-way interaction between 'group', 'product origin', and 'product centrality' ($F[1, 102] = 7.28$, $p = .008$, $\eta^2 = .07$). This indicates that the effect of collective nostalgia (compared to collective control) on ethnocentric product evaluations — that is, Group × Product origin two-way interaction — was more pronounced for songs than for TV series.

Partitioning this three-way interaction shows that the two-way interactions for

'group' and 'product origin' is statistically significant for central products ($F[1, 102] = 26.18$, $p < .001$, $\eta^2 = .20$) and marginally significant at the 5% level for peripheral products ($F[1, 102] = 3.81$, $p = .054$, $\eta^2 = .04$). Breaking down the two-way interactions even further reveals that, when rating central products (songs), collective nostalgia (compared to collective ordinary) increased ratings of Greek songs ($t[102] = 3.14$, $p = .002$) and reduced ratings of foreign songs ($t[102] = -3.87$, $p < .001$). When rating peripheral products (TV clips), collective nostalgia (compared to collective ordinary) also increased ratings of Greek TV clips ($t[102] = 0.65$, $p = .517$) and decreased ratings of foreign TV clips ($t[102] = -1.65$, $p = .102$), albeit not significantly so.

5.4 Discussion

This chapter builds on the experimental design and evidence discussed in Chapter 4. More specifically (i) following previous evidence in the literature it uses a different inducement: collective nostalgia; (ii) subjects rate both the product of their choice, but also the ones they did not choose; and (iii) perform the task described in step (ii) for two product categories: a central (i.e., song) and a peripheral product (i.e., TV video clips).

Participants in the collective nostalgia treatment condition, consistently chose the products from their home country over foreign products, which they also rated significantly higher. Hence, it seems that the perception of how much consumers enjoy products they experience is altered when they feel nostalgic. In essence, we seem to become biased in liking more products from our home country and we seem to think we like foreign products less.

Lastly, as hypothesised, the effect of nostalgia on choice has the same effect for central and peripheral products. The ratings of the products, however, appeared to be higher for central compared to peripheral products.

This study does not come without limitations. First, as for the case of the previous chapter, this study samples respondents from a specific culture and age sub-group of the population. Second, determining which products count as central or peripheral (or fall in categories in between these two extremes) is quite challenging and is likely to differ between nations, as already seen in Chapter 3. Thus, replication of this experiment on different cultures would be informative.

Despite these limitations, this study makes a significant contribution by enhancing our understanding of the impact of nostalgia on product preferences and perceived quality between home versus foreign, and central versus peripheral products.

Chapter 6

Mediating Effects: The Case of 'Meaning of Life'

6.1 Hypothesis

The evidence provided in Chapter 5 suggested that feelings of nostalgia are a strong predictor of consumer preferences. It achieved this using a 'collective nostalgia' inducement and offered results on two product categories — central and peripheral — showing that ratings of likeability were higher in the former product category compared to the latter.

This chapter extends on those findings. The aim here is to shed some light in understanding *why* a 'collective nostalgia' inducement is capable of strengthening ethnocentric product preferences. Justifying the reasons '*why*' is surely a challenging task. As discussed in Chapter 2, relatively recent research has explored the psychological states evoked by nostalgia. For example, Wildschut et al. (2006)

argue that nostalgia increases positive mood, positive self-regard, and social connectedness. In addition to these, an even more recent research stream of the literature is exploring the impact of nostalgia on one's self-reported 'meaning of life' — see Chapter 2, section 2.2.3, for an overview of the related literature. As nostalgic episodes typically centre on important life events — potentially shared by others, such as major international victories achieved by national teams/athletes — nostalgia might serve as a meaning-providing resource, allowing people to infuse a sense of meaning in everyday life (Wildschut et al., 2006).

Defined as a composite measure derived from subjects' responses to a series of questions related to meaningfulness and purpose of life, Routledge et al. (2011) and van Tilburg et al. (2013) show that people in the nostalgic group perceived their lives to be more meaningful. Moreover, when one's 'meaning of life' is threatened people in the nostalgic group reported less need to search for 'meaning of life', suggesting that nostalgia served as a meaning-providing resource (Routledge et al., 2012).

Hence, in order to understand why collective nostalgia strengthens ethnocentric product preferences, this study uses 'meaning of life' as a mediator; that is, by partially explaining the effect that collective nostalgia has on preference for domestic products. Having previously provided evidence suggesting that the impact of a collective nostalgia inducement is larger on central than peripheral products — see Chapter 5 — this study focuses exclusively on central products to answer this question.

More specifically, the hypothesis of this chapter can be summarised as follows:

H: Is 'meaning of life' mediating the impact collective nostalgia has on preferences for domestic products, as well as their rating of quality?

6.2 Experimental Design

This section outlines the experimental design and methodology followed in this study.

6.2.1 Determining the Participants

This experiments consisted of sixty-nine Greek individuals born in the late 1970s/early 1980s (44 females; $M_{age} = 29.7$, $SD_{age} = 2.8$). Similar to previous chapters, these resided in Greece — as Greeks residing abroad are likely to have had intensified preferences for home-made products — and approached with the help of Greek Universities' administrators. The incentive for participation in this study was a 10% chance of winning a 15 Euros iTunes voucher.

The experiment took place online and was designed using the online survey software *Qualtrics*.

6.2.2 Protocol

Participants here were again randomly allocated into two groups. In the collective nostalgia (treatment) condition they were presented with a short dictionary definition of nostalgia. They were then asked to think of a nostalgic event that they had experienced together with fellow Greeks and write a minimum of 150 words about it, including a justification of why it made them feel nostalgic. Participants were then asked to write five keywords in relation to the event they had just described. In the control group on the other hand (collective ordinary condition), participants

were asked instead to think of an ordinary event that they had experienced with other Greeks and write a minimum of 150 words on it, followed by five keywords about it.

Following these tasks, participants from both groups faced a choice between listening to a Greek song or a foreign song. These were the same songs as the ones included in Chapters 4 and 5. Once the decision was made, they listened to the song of their preference and rated it on a 17 scale, with 1 denoting "did not like at all" and 7 denoting "liked it very much". They were then asked to listen to the other song — i.e. the one not chosen — and to also rate it on the same scale. Thus, all subjects rate both songs: a Greek and a foreign.

So far the procedure of this experiment is almost identical to that of Chapter 5. In order to answer the main hypothesis of this chapter though, a final task was added here. Participants were asked to think back to the collective nostalgic event previously described and score it based on the following statements (based on a 1-7 scale, where 1 denoted "not at all" and 7 denoted "very much"):

Now that I have this event in mind, I feel:

- *Life is meaningful*;

- *Life has a purpose*;

- *There is a greater purpose to life*; and

- *That life is worth living.*

These questions were adopted from Routledge et al. (2011, 2012) and are intended to capture a sense of the respondent's 'meaning of life' — which is hypothesised

here to have a mediating effect on nostalgia. Note that these were purposefully positioned after, not before, the rating tasks in order to avoid any priming effects that might have affected participants. Responses to these four items are averaged into a single meaning of life index ($\alpha = .90$, $M_{index} = 4.80$, $SD_{index} = 1.53$).

A further difference this experiment has compared to that of the previous chapter is its exclusive focus on preferences and ratings of central products: songs. This draws directly from the evidence in Chapter 5, suggesting that the effects of collective nostalgia are significantly larger in central (songs) compared to peripheral (TV series) products. Having, thus, established the case where the effects between nostalgia and ethnocentric preferences is the strongest, resources for this experiment were targeted in identifying the mediating effects of this relationship.

6.3   Data Analysis and Results

This study consisted of a sample of 69 Greek residents. Table 6.1 offers some descriptive statistics of the sample. About 64% of the sample are female and the average age is about 30. About two-thirds of subjects are single and employed, and more than 80% of the sample are educated up to under-graduate or post-graduate level.

Table 6.2 indicates the proportion of subjects in each of the two groups, treatment and control, who preferred the home-country song. The overwhelming majority of individuals in the treatment group (87.9%) opted for the Greek song. In contrast, less than 20% of subjects did so in the control group. This difference in proportions between those two groups is very large and statistically significant at the 1% level.

Table 6.1: Sample Statistics

	Mean
Female	63.7
Age	29.6
Single	71
Married	26
Education: high-school	4.3
Education: degree level	33.3
Education: MSc	47.8
Education: PhD	14.5
Employed	69.5
Student	17.3
Unemployed	7.2
Other Occupation	4.3
Income [1-6 scale]	2.8

Notes: For binary variables, figures represent proportions (%)

As the main design of this experiment is similar to that of Chapter 5, it is interesting to compare these proportions with those of Table 5.2. There, 80.77% of subjects in the treatment group and 38.46% of those in the control group chose the home song, respectively. Considering that the sample size studied here is somewhat smaller, results depicted in Table 6.2 can be viewed as a replication of the above findings, validating the findings of the previous chapter.

Table 6.2: Nostalgia in Treatment and Control Groups

Preference	Group		Difference
	Treatment	Control	
	Nostalgic (N)	Non-Nostalgic (NN)	(N−NN)
Home Song (Greek)	87.87%	19.44%	68.43% ***

Notes: Figures represent proportions of individuals. There are 33 observations in the treatment group and 36 in the control group. *** $p < 0.01$

Table 6.3 presents the regression coefficients and marginal effects of the determinants of preferences for the Greek song. These are derived from the estimation of

a probit model similar to that of equation 5.1. The key variable of interest is 'Collective Nostalgia', whose coefficient is positive and statistically significant at the 1% level. This suggests that the probability of selecting the home (song) product increased by 0.883 percentage points if the subject was in the treatment nostalgia group. The model controls for participants' demographic characteristics. Gender, unemployment, marital status, and income do not have a statistically significant impact on choice. Age and education do; with age reducing the probability of selecting the home product and each level of education increasing it.

Table 6.3: Probit Results on Song Choice

	Coefficients	Marginal Effects
Collective Nostalgia	3.221*** (0.561)	0.883*** (0.064)
Constant	9.063 (4.4)	
Female	-1.215 (0.671)	-0.451 (0.215)
Age	-0.45*** (0.172)	-0.179*** (0.068)
Married	1.054 (0.748)	0.391 (0.244)
UDegree	3.200*** (1.184)	0.796*** (0.122)
PDegree	3.282*** (1.011)	0.898*** (0.104)
PhD	4.266*** (1.235)	0.750*** (0.092)
Student	-1.404 (0.736)	-0.477 (0.184)
Unemployed	-1.275 (0.669)	-0.420 (0.158)
Income level 2	-0.602 (0.802)	-0.235 (0.299)
Income level 3	-0.522 (0.779)	0.204 (0.293)
Income level 4	-0.075 (0.880)	-0.030 (0.350)
Income level 5	1.178 (1.102)	0.398 (0.259)
Income level 6	1.222 (0.929)	0.408 (0.213)
Observations	63	
Pseudo-R^2	0.531	

Notes: Regression is probit. Dependent variable is the preference of the home-country song. *** denotes significance at the 1% level.

Moving on to the analysis of ratings depicted in Table 6.4, the estimates again clearly show a significantly large difference in the ratings of the home and foreign product, for those who selected the home product, by group. Subjects in the

treatment group who chose the home product, rated it about 2.5 points higher compared to the foreign song. By contrast, the respective ratings of those in the control group who selected the home product are precisely the same between the two products here. These results again support the finding of Table 5.4 in Chapter 5. There, the difference in the treatment category was about 2.1 points ($p < .01$) and an insignificant -0.2 points in the control group.

Table 6.4: Average Song Ratings

	Group		
	Greek (N)	Foreign (NN)	Difference (N−NN)
Treatment (Nostalgic)	6.345	3.759	2.586***
Control (Non-Nostalgic)	5.571	5.571	0

Notes: Figures are average ratings. There are 33 observations in the treatment group and 36 in the control. *** $p < 0.01$

To this end, the results presented so far in this chapter are in line with those of Chapter 5. We now move our focus towards the main aim of this study, which is to provide evidence on the mediating effect of 'meaning of life'. The mediation analysis involves the re-calculation of the direct effect of collective nostalgia on song choice; where, without controlling for any additional variables such as respondents' demographics, the results suggest that collective nostalgia is a significant predictor of the outcome variable 'song choice' ($\beta = 3.4$, $p < .000$). Collective nostalgia is also a significant predictor of the mediator variable 'meaning of life' ($\beta = 1.95$, $p < .000$). Finally, 'meaning of life' is a significant predictor of song choice ($\beta = 1.07$, $p < .004$). When this latter effect is included in the model, the effect of collective nostalgia on song choice is reduced, but remains statistically significant ($\beta = 2.23$, $p < .000$).[1] These estimates are shown in Figure 6.1.

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[1] Please see Appendix D1 for full table of results on the mediation analysis.

A bootstrap procedure (Preacher and Hayes, 2008) (5,000 iterations) to this single mediation analysis for song choice is depicted in Table 6.5. These results suggest that the indirect effect of 'meaning of life' is statistically significant; the 95% bias-corrected confidence intervals for the size of the indirect effect of 'meaning of life' (ranging from .170 to .543) exclude zero. This result indicates that, as predicted, 'meaning of life' mediates the effect collective nostalgia had on song choice.
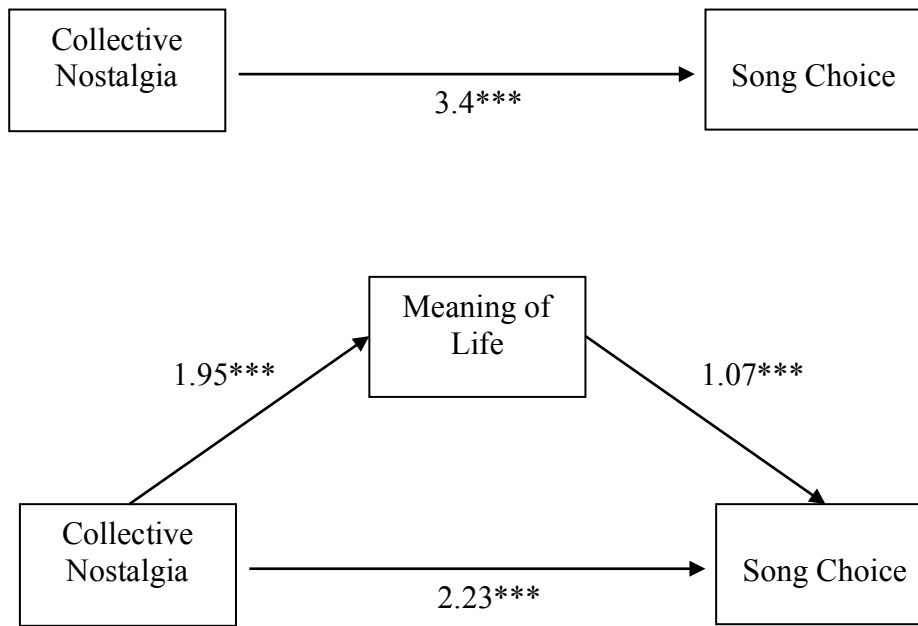
Figure 6.1: Mediating Effect of 'Meaning of Life' on Song Choice

Table 6.5: Single Mediation Analysis on Song Choice

	Coefficient	95% Confidence Interval	
Indirect effect of meaning of life	0.339	0.17	0.543 (P)
	(0.095)	0.17	0.543 (BC)
Total indirect effect	0.339	0.17	0.543 (P)
	(0.095)	0.17	0.543 (BC)
Direct effect of nostalgia	0.361	0.098	0.598 (P)
	(0.125)	0.098	0.598 (BC)
Total effect	0.7	0.559	0.819 (P)
	(0.067)	0.548	0.811 (BC)

Notes: Bootstrap robust standard errors reported in parentheses. Number of replications: 4,910. Number of observations: 69. P denotes the percentile confidence interval. BC denotes the bias-corrected confidence interval.

A similar analysis is separately performed for the case of ratings. First, the direct effect of collective nostalgia on Greek ratings suggests that the former is a significant predictor of the latter ($\beta = 1.46$, $p < .000$). The effect of collective nostalgia on 'meaning of life' remains, of course, unchanged ($\beta = 1.95$, $p < .000$). Finally, 'meaning of life' is a significant predictor of Greek ratings ($\beta = 0.24$, $p < .049$). When this latter effect is included in the model, the effect of collective nostalgia on Greek ratings is reduced, but remains statistically significant ($\beta = .99$, $p < .009$). These estimates are shown in Figure 6.2.

The bootstrap procedure (5,000 iterations) to this single mediation analysis for Greek ratings is depicted in Table 6.6. These confirm that the indirect effect of 'meaning of life' is statistically significant; the 95% bias-corrected confidence intervals for the size of the indirect effect of 'meaning of life' (ranging from .017 to .355) exclude zero.

For foreign ratings, the direct effect of collective nostalgia on foreign ratings suggests that the former is a significant predictor of the latter ($\beta = -1.32$, $p < .000$).
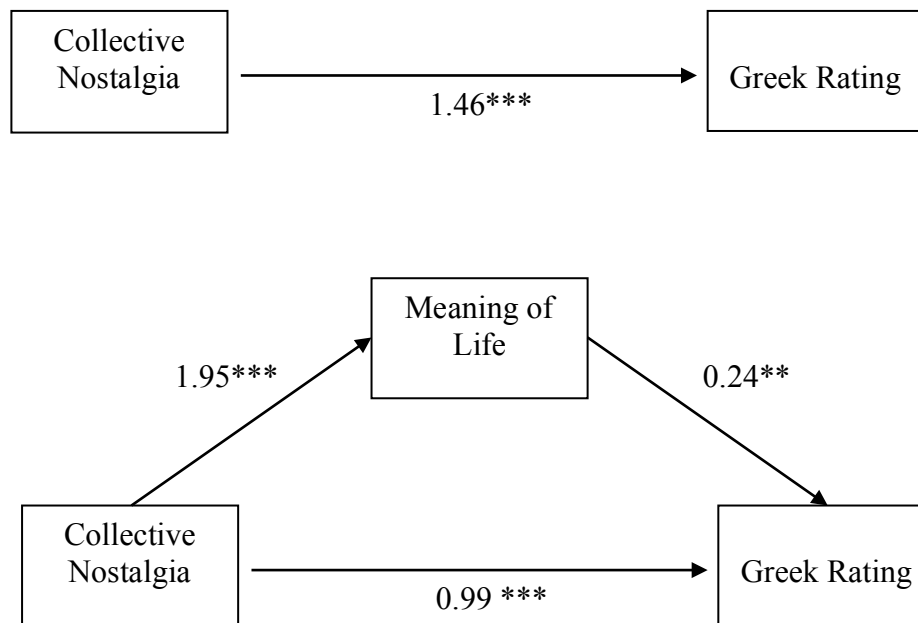
Figure 6.2: Mediating Effect of 'Meaning of Life' on Greek Ratings

In fact, collective nostalgia is estimated to reduce ratings given to foreign songs. Trivially, the effect of collective nostalgia on 'meaning of life' is precisely the same as before ($\beta = 1.95$, $p < .000$). Here, however, 'meaning of life' is not found to be a significant predictor of foreign ratings ($\beta = -0.08$, $p < .59$). When this latter effect is included in the model, the effect of collective nostalgia is marginally reduced ($\beta = 1.16$, $p < .014$). These estimates are shown in Figure 6.3.[2]

The bootstrap procedure (5,000 iterations) to this single mediation analysis for foreign ratings is depicted in Table 6.7. These confirm that the indirect effect of 'meaning of life' is not statistically significant; this is because the 95% bias-corrected confidence intervals for the size of the indirect effect of 'meaning of life' (ranging from -.222 to .105) now include zero.

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[2]Please refer to Appendix D2 for detailed tables of results regarding the mediation analyses on ratings.

Table 6.6: Single Mediation Analysis on Greek Song Ratings

	Coefficient	95% Confidence Interval	
Indirect effect of meaning of life	0.169	0.017	0.355 (P)
	(0.086)	0.016	0.354 (BC)
Total indirect effect	0.169	0.017	0.355 (P)
	(0.086)	0.016	0.354 (BC)
Direct effect of nostalgia	0.356	0.099	0.58 (P)
	(0.123)	0.097	0.579 (BC)
Total effect	0.526	0.37	0.673 (P)
	(0.077)	0.36	0.665 (BC)

Notes: Bootstrap robust standard errors reported in parentheses. Number of replications: 5,000. Number of observations: 69. P denotes the percentile confidence interval. BC denotes the bias-corrected confidence interval.

Table 6.7: Single Mediation Analysis on Foreign Song Ratings

	Coefficient	95% Confidence Interval	
Indirect effect of meaning of life	-0.05	-0.222	0.105 (P)
	(0.082)	-0.224	0.103 (BC)
Total indirect effect	-0.05	-0.222	0.105 (P)
	(0.082)	-0.224	0.103 (BC)
Direct effect of nostalgia	-0.366	-0.61	-0.08 (P)
	(0.135)	-0.606	-0.075 (BC)
Total effect	-0.416	-0.593	-0.207 (P)
	(0.097)	-0.59	-0.20 (BC)

Notes: Bootstrap robust standard errors reported in parentheses. Number of replications: 5,000. Number of observations: 69. P denotes the percentile confidence interval. BC denotes the bias-corrected confidence interval.

6.4 Discussion

Having previously shown in Chapter 5 the impact a 'collective nostalgia' inducement has on ethnocentric product preferences and perceived product quality — a result especially supported for the case of central products — this chapter digs deeper into this issue by investigating plausible effects mediating this impact. The focus here is directed towards a composite measure of 'meaning of life', a highly reliable measure derived from subjects' responses to a series of questions related
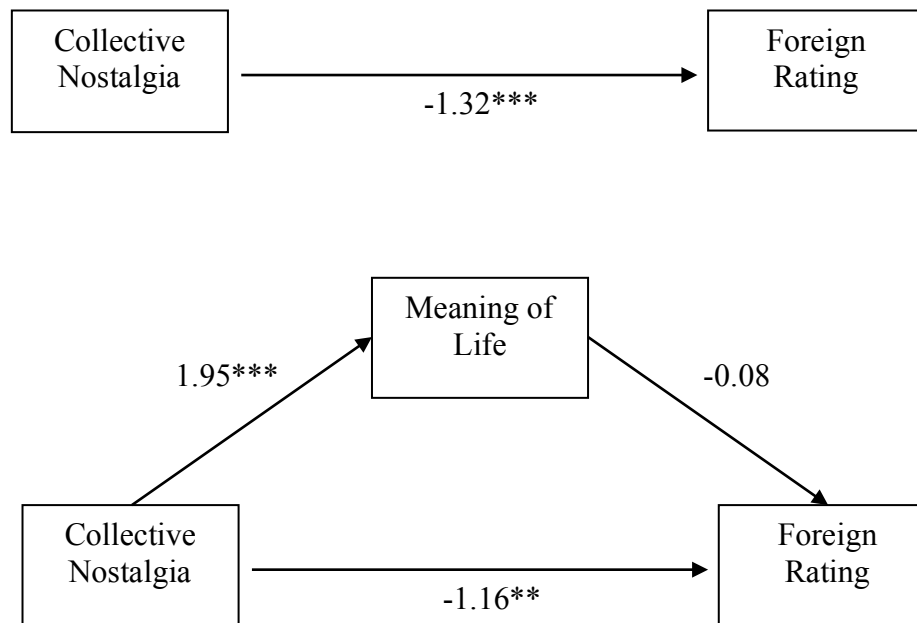
Figure 6.3: Mediating Effect of 'Meaning of Life' on Foreign Ratings

to meaningfulness and purpose of life (e.g., Routledge et al., 2012).

For consistency, an experiment similar to that of Chapter 5 was also adopted here; though only performed for one product category: central products (song). That is, a collective nostalgia inducement following which subjects chose between listening to a home or foreign song; they were then subsequently asked to rate the song of their choice, as well as to listen and then rate the song not chosen.

First, in analysing the data this study confirms the results found in Chapter 5 — this is an important result in its own right, replicating those findings. Second, 'meaning of life' is estimated to have a significant mediating effect on the impact collective nostalgia has on preferences for ethnocentric products. The mediating variable is also estimated to have an effect on the rating of the home song — an effect which, however, marginally passes significance at the 5% level and should thus be viewed with caution. 'Meaning of life' on the other hand has no mediating

effect on the rating of the foreign song.

This study shares the same limitations as those of the previous chapter. It focuses, for example, on a specific culture and age sub-group of the population. Furthermore, despite the evidence on the mediating effects of 'meaning of life', this is arguably not the only effect mediating the impact of nostalgia on ethnocentric preferences. More research is thus necessary to more fully understand the mechanisms behind the nostalgia-COO relationship.

Despite these limitations, this study makes a significant contribution by enhancing our understanding of the mediating impact 'meaning of life' has in explaining the impact of nostalgia on product preferences and perceived quality between central home and foreign products.

Chapter 7

Conclusion

This chapter offers an overview of the findings and contributions of this thesis. Managerial implications, along with an outline of prospective future research, are additionally provided.

7.1   Overview and Contribution of Thesis

Understanding consumers' preferences is central in marketing. Consumers face a number of cues when shopping which affect their perception of a product's quality and, consequently, their purchasing behaviour (Niraj and Philip, 1994). After all, it is now well-established that "one of the most important ... advances in business thinking is the recognition that people, in their purchase decision-making, respond to more than simply the tangible product being offered" (Kotler, 1974: 48).

Product attributes affecting consumers' perception include, for example, price,

packaging, branding. One such attribute that has received significant attention in the literature for more than five decades is a product's country of origin. Overall, this literature points towards significant COO effects on product preferences or products' perceived quality — see for example Schooler (1965), Bilkey and Nes (1982), Papadopoulos et al. (1987), Balabanis et al. (2001), Luomala (2007), Camgoz and Ertem (2008).

Several studies have sought to explore what drives the country of origin effect; often focusing on its variant, the domestic country bias, defined as the preferences individuals have for products originating from their home country. Following the work of Shimp and Sharma (1987), this investigation has mainly focused on consumer ethnocentrism as the main determinant (Sharma et al., 1995; Luque-Martinez et al., 2000; Balabanis and Diamantopoulos, 2004; Evanschitzky et al., 2008); though the strength of this effect seems to vary depending on culture (Tsai et al., 2013), the sample's demographic and social characteristics (Josiassen et al., 2011; Meeusen et al., 2013), a culture's social and economic globalisation (Durvasula and Lysonski, 2006; Machida, 2012), and the necessity of the product (Javalgi et al., 2005). Other scholars have focused on feelings of animosity individuals have towards other nations, finding a negative impact on preferences for products originating from these (Klein et al., 1998; Hong and Kang, 2006; Russell et al., 2011).

The first study of this thesis offers a more robust investigation regarding the presence of COO effects and ethnocentrism as its main determinant. This investigation was motivated by three main limitations faced by existing COO studies: (a) they study independent nations/cultures, making it challenging to generalise results; (b) they might not be basing their investigation on appropriate products; and (c) they assume their sample is familiar with the product and hence elicit hypothetical preferences.

In response to these limitations, the first study: (a) conducts an experiment on a sample across five cultures (France, Greece, Italy, Japan and Thailand); (b) tests preferences for two consumable product categories — central and peripheral — for each country, which have been subject to pre-testing procedures; and (c) requires participants to taste the products offered prior to eliciting their preferences. This approach can thus be argued to be methodologically superior to that of previous studies. Results reveal significant preferences towards COO products: subjects in the treatment group were far more likely to choose their home-country product, irrespective of product centrality. In contrast, participants' ethnocentric tendencies were not a significant determinant of preferences, in support of recent existing evidence for highly educated samples (Meeusen et al., 2013).

In contributing to the list of other potential, novel, drivers of preferences for COO products, the focus of the remaining chapters of this thesis was directed to nostalgia. Defined as "a sentimental longing for one's past" (Sedikides et al., 2008), nostalgia in recent times is viewed as a positive feeling, contrary to earlier definitions considering it a psychological illness experienced by particular sub-groups of the population (see for example, McCann, 1941; Catelnuovo-Tedesco, 1980). Nostalgia is in fact quite a common experience (Wildschut et al., 2006), across ages and cultural groups (Routledge et al., 2011), increasing positive affect and self-esteem (Wildschut et al., 2006), optimism (Cheung et al., 2013) and social bonds (Zhou et al., 2008; Wildschut et al., 2010). It is, thus, perhaps not surprising that marketeers have integrated nostalgia in their marketing campaigns (Stern, 1992; Muehling and Pascal, 2011).

Despite the increasing attention nostalgia is currently receiving in the literature, this thesis offers the first collection of studies formally investigating its impact on consumer preferences for domestic country products. It achieves this aim by

inducing nostalgia at the 'personal level' (Chapter 4), referring to past events respondents experienced alone, and at the 'collective level' (Chapters 5), referring to past events respondents experienced together with others. The latter — more formally defined as "the nostalgic reverie that is contingent upon thinking of oneself in terms of a particular social identity or as a member of a particular group and concerns events or objects related to it" (Wildschut et al., 2014) — supports the view that nostalgia is often associated with experiences which, although being centred around the individual, involve friends, relatives, spouses, etc. (Hepper et al., 2012; Wildschut et al., 2006; Sedikides et al., 2009).

Targeting a specific age-group of Greek individuals, these studies find that participants in the nostalgia condition were significantly more likely to select the Greek product — a song in Chapter 4 — irrespective of the product's centrality — a song (central product) and TV video clip (peripheral product) in Chapter 5 — than participants in the control condition. Subsequently, participants experienced the products of their selection; with those in the nostalgia condition rating them higher, on average, compared to those in the control condition. The results from these studies are in alignment with recent evidence suggesting that collective nostalgia encourages individuals to support others within their group (Wildschut et al., 2014); in this case, 'supporting' their home country.

Having established the role of nostalgia as a determinant of ethnocentric product preferences, the final study extends those findings by using 'meaning of life' as a mediator. This measure is in the forefront of research in nostalgia. Nostalgic narratives suggests that nostalgic experiences are heavily centred on key life events (Wildschut et al., 2006), which tend to increase individuals' personal sense of meaning in life (Sedikides et al., 2004; Routledge et al., 2012). In exploring this possibility, the study uses a 'collective nostalgia' inducement (as in Chapter 5) for

the case of central products (i.e. songs) and a manipulation for meaning of life.

Supporting the results of Chapter 5, this study also finds a significant impact of nostalgia on preferences and ratings of the home product; an important result in its own right as it replicates the findings of the previous study. Results further suggest that 'meaning of life' had a significant mediating effect on the impact nostalgia had on preferences for both the home product and its rating.

7.2   Implications for Managerial Practice

The evidence of the impact of nostalgia on consumer preferences for domestic country products offers important insights for managerial practice. Three levels of practice can be deduced.

First, at the level of the company, marketing managers need to consider how to best promote their products in order to positively differentiate them from competitive products. The findings derived from the collection of chapters in this thesis suggest that feelings of nostalgia could be used towards this aim. In particular, marketing campaigns could target feelings of nostalgia amongst domestic consumer in order to increase the desirability, and hence sales, of their product. Such a campaign could be achieved by inducing nostalgic feelings to consumers via various advertising and promotion channels, such as TV and radio advertising. The product's packaging — e.g., design, material, text — could also be modified in order to induce nostalgia.

In a different context, many firms seek to penetrate foreign markets. To this extent — and under the assumption that a relatively wide base of national customers reside in that foreign country — nostalgia inducements (e.g., related to the prod-

uct's foreign advertising campaign and packaging) could help the firm establish its product abroad.

In addition to increasing a product's sales, nostalgia inducements — as previously shown by Merchant et al. (2011) and Zhou et al. (2012b) — can increase charitable giving. In line with the evidence presented here, combining nostalgia with domestic country product preferences, such inducement could be beneficial for (smaller) charities that support domestic causes. This is particularly important for such charitable companies, as they have to compete against larger multinational charities.

Second, store managers can also benefit from this line of research. A substantial amount of research in the area of store atmospherics argues that music (e.g., Alpert et al., 2005), colour and lighting (e.g., Bellizzi et al., 1983; Bellizzi and Hite, 1992; Vaccaro et al., 2008), and scent (e.g., Bosmans, 2006; Douce and Janssens, 2013) influence consumers' purchasing behaviour — see Spence et al. (2014) for an overview of this literature. Indeed, Orth and Bourrain (2008) considered nostalgia, induced here via scents, but only looked at its effect on consumers' exploratory tendencies. Thus, store managers could induce nostalgia by more appropriately considering their store's music, design and layout, in order to increase sales. This also applies to online stores, where the evidence suggests that website aesthetics are an important determinant of purchasing behaviour (Chang et al., 2014) and could be re-designed with a nostalgic element in mind.

Finally, at the third level, the impact of nostalgia on consumer preferences could be a useful tool for policymakers. For example, governments whose economy is in recession, could use nostalgia-induced interventions aimed to boost consumption of domestic products in general. This would consequently increase aggregate demand

for domestic versus foreign products and services, leading to a reduction in imports of such goods, thus partly contributing to the recovery of the economy as a whole.

An additional finding of this thesis is that nostalgia also significantly affects consumers' 'likeability' of the chosen domestic product. This is especially true in settings where the consumer has the opportunity to consume/use the product straight away, increasing the likelihood of further future sales (e.g. by increasing customer loyalty and/or positive word-of-mouth).

7.3 Future Directions for Marketing Research

Understanding the determinants of COO — and domestic country bias — is far from being resolved. The research agenda building on the evidence provided in this thesis offers several opportunities for future research.

Chapters 4, 5, and 6 suggested that nostalgia amplifies preferences for domestic products. Notably though, this finding results from an experimental setting where the only cue available to participants is the product's COO. Some studies in the literature (e.g., Johansson et al., 1985) argue, however, that the effect a product's COO has on preferences and purchasing behaviour substantially diminishes in the presence of other cues (attributes of car models in this case, such as price, reliability and comfort). Building on the results of these chapters, I thus intend to test the implications of nostalgia in a multi-cue setting; and subsequently identify whether COO effects retain their significance.

To explore this possibility, a series of experiments similar to the ones in this thesis can be conducted. For example, first testing the effect of nostalgia on preferences

for domestic products between treatment (i.e. nostalgia) and control conditions, when the product's COO and price are revealed in both conditions. Additional cues, such as packaging, would then be included in a step-wise fashion.

In addition, I intend to study the impact of self-affirmation as a determinant of COO. Self-affirmation theory argues that people are motivated to maintain the integrity of the self, which Steeler (1998) refers to as a global sense of self-integrity. Several studies have examined how people respond when their integrity is threatened — see for example, Aronson et al. (1999), McQueen and Klein (2006), Sherman and Cohen (2006), Cohen et al. (2009). Sherman and Cohen (2006) suggested, for example, that global self-integrity is composed of everything that is important to oneself, such as relationships, goals, roles, values, group identities, and central beliefs. If any of these areas is threatened, one aims to re-affirm their self-integrity. Their study found that people in general are more open to threatening information and are less defensive when feeling more self-assured. Self-affirmation has in fact been shown to be capable to change one's perspective on threats (Critcher et al., 2010; Crocket et al., 2008; Sherman et al., 2009; Wakslak and Trope, 2009).

A potential experiment studying this topic would randomly allocate participants in treatment and control groups. Following Monin et al. (2008), individuals in the treatment condition would be asked to think of a recent experience where they demonstrated a quality or value that was important to them and made them feel good about themselves; write a few lines about it and rate its importance. Those in the control condition would be asked to think and write about an irrelevant topic. Subjects from both groups would then experience products within a specific product category, one of which would be originating from their domestic country.

Products' origin would, initially, be the only cue revealed, before proceeding to additional experiments adding other cues. I anticipate that self-affirmation would have a significantly negative effect on preference for the home country product.

In an increasingly globalised world, a product might well be branded as originating from country A but be actually manufactured in country B. The country of assembly (COA) might have misleading implications on what the 'COO' really is (Papadopoulos, 1993). A relatively recent study examined the impact of cars' COA on perceived car quality amongst Thai consumers, who rated cars assembled in Germany as being better than those assembled in their own country — at least, in the absence of the car's brand, which when revealed lessened quality differences significantly (Chandrasen and Paliwoda, 2009). Hustvedt et al. (2013) studied preferences of US consumers for wool sweaters manufactured in either the US or China, but whose input of production (i.e. fibre) originated either from (i) Australia, (ii) the US, or (iii) a specific US State. Both low and high ethnocentric groups preferred sweaters made using state-supplied wool to broader US-supplied wool, which were in turn preferred to Australian-supplied wool. In comparison, only the high ethnocentric group preferred US to Chinese made sweaters. COA is a topic in need of further research across product categories.

Extending on the results presented in this thesis, I intend to study the impact of nostalgia on COA in a lab experiment using a design similar to the above. If Country A denotes the product's COO and Country B denotes the product's COA, this study would sample individuals from Country B and test the impact of nostalgia on preferences for this product between treatment (i.e. nostalgia) and control conditions. Importantly, both the product's COO, COA, and other potential cues as discussed above (e.g., price) would be revealed in both conditions.

I anticipate that nostalgia would have a significantly positive effect on preference for the product's COA.

The possibilities of a field experiment could provide an exciting alternative investigation into this hypothesis. *Kia Motors*, for example, is a South Korean automobile firm headquartered in Seoul. Yet, it holds production lines in the State of Georgia in the US, Frankfurt in Germany, and Nuevo Leon in Mexico. *Kia Motors America* takes a lot of pride in manufacturing these Korean-branded cars in Georgia. This is evident on their website, stating: *"Built in the USA: Being here makes us better"*.[1] Here, a field experiment in the US setting, on US consumers, could involve an (electronic) flyer promoting Kia cars, with a randomised nostalgia inducement in these. The effect of nostalgia on COA could be captured by monitoring relative differences in subsequent enquiries made.

Finally, the literature has suggested that feelings of animosity towards other countries negatively influence preference for products originating from those countries — see for example, Klein et al. (1998), Hing and Kang (2006) and Russell et al. (2011). Extending this evidence, I intend to test the implications this hypothesis has on a wider population sample, focusing on the 9/11 terrorist attacks to explore whether this devastating and unexpected event led Americans to purchase more products from their home country.

The *IRI Marketing* data set (spanning between January 2001—December 2005) will be analysed for this purpose. These data include actual purchasing patterns of US consumers across 30 product categories and multiple stores. These data offer a number of benefits. First, they offer the opportunity to study general rather than

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[1]See www.kia.com/us/en/content/why-kia/built-in-the-usa/overview [accessed December 2014].

specific population samples (such as students or individuals of a particular age group). Second, the data include a spatial dimension, allowing the researcher to test for regional differences; in fact, it would be interesting to see whether potential biases towards domestic products were a tendency amongst New Yorkers alone or shared across surrounding states or the entire country. Third, the time span of the data will inform us of the duration of this effect.

Yet, any evidence resulting from this analysis is likely to be context-specific. For example, one would not be able to disentangle the effect of animosity due to the cause of the event, from feelings of solidarity arising in times of national adversity, such as the aftermath of terrorist attacks, natural disasters, etc; for example, Dinesen and Jaeger (2013) find that institutional trust increased in Spain following the Madrid 3/11 terrorist attacks, while Li et al. (2013) find that the experience of a natural disaster increases childrens' short-term altruistic giving. In an attempt to disentangle these effects, a similar analysis will be performed for the case of hurricane Katrina in 2005; there is no doubt that the outcome of both these events was catastrophic[2], though the cause of each was clearly different (one was caused by a human factor and the other by a natural factor).

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[2]Note that the victims of 9/11 were about 3,000 people and those of Hurricane Katrina about 2,000 people.

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Appendix A: In Relation to Chapter 3

A1: Product Evaluation — France

WINE

Please write down the products you tasted in order of preference:

    1.
    2.
    3.

1. Please evaluate the product tested in terms of taste (with 1 = poor taste and 7 = excellent taste):

Product A:

Poor taste   1   2   3   4   5   6   7   Excellent taste

Product B:

Poor taste   1   2   3   4   5   6   7   Excellent taste

Product C:

Poor taste   1   2   3   4   5   6   7   Excellent taste

2. Please evaluate the product tested in terms of quality (with 1 = poor quality and 7 = excellent quality):

Product A:

Poor quality   1   2   3   4   5   6   7   Excellent quality

Product B:

Poor quality   1   2   3   4   5   6   7   Excellent quality

Product C:

Poor quality   1   2   3   4   5   6   7   Excellent quality

YOGURT

Please write down the products you tasted in order of preference:

    1.
    2.
    3.

1. Please evaluate the product tested in terms of taste (with 1 = poor taste and 7 = excellent taste):

Product A:

Poor taste   1   2   3   4   5   6   7   Excellent taste

Product B:

Poor taste   1   2   3   4   5   6   7   Excellent taste

Product C:

Poor taste   1   2   3   4   5   6   7   Excellent taste

2. Please evaluate the product tested in terms of quality (with 1 = poor quality and 7 = excellent quality):

Product A:

Poor quality   1   2   3   4   5   6   7   Excellent quality

Product B:

Poor quality   1   2   3   4   5   6   7   Excellent quality

Product C:

Poor quality   1   2   3   4   5   6   7   Excellent quality

A2: CETSCALE Questionnaire

1. French people should always buy French-made products instead of imports:

   Strongly Disagree [1] [2] [3] [4] [5] [6] [7] Strongly Agree

2. Only those products that are unavailable in France should be imported:

   Strongly Disagree [1] [2] [3] [4] [5] [6] [7] Strongly Agree

3. Buy French-made products. Keep France working:

   Strongly Disagree [1] [2] [3] [4] [5] [6] [7] Strongly Agree

4. French products, first, last, and foremost:

   Strongly Disagree [1] [2] [3] [4] [5] [6] [7] Strongly Agree

5. Purchasing foreign-made products is un-French:

   Strongly Disagree [1] [2] [3] [4] [5] [6] [7] Strongly Agree

6. It is not right to purchase foreign products, because it puts French people out of jobs:

   Strongly Disagree [1] [2] [3] [4] [5] [6] [7] Strongly Agree

7. A real French should always buy French-made products:

   Strongly Disagree [1] [2] [3] [4] [5] [6] [7] Strongly Agree

8. We should purchase products manufactured in France instead of letting other countries get rich off us:

   Strongly Disagree [1] [2] [3] [4] [5] [6] [7] Strongly Agree

9. It is always best to purchase French products:

   Strongly Disagree [1] [2] [3] [4] [5] [6] [7] Strongly Agree

10. There should be very little trading or purchasing of goods from other countries unless out of necessity:

Strongly Disagree | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Strongly Agree

11. French people should not buy foreign products, because this hurts French business and causes unemployment:

Strongly Disagree | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Strongly Agree

12. Curbs should be put on all imports:

Strongly Disagree | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Strongly Agree

13. It may cost me in the long-run but I prefer to support French products:

Strongly Disagree | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Strongly Agree

14. Foreigners should not be allowed to put their products on our markets:

Strongly Disagree | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Strongly Agree

15. Foreign products should be taxed heavily to reduce their entry into France:

Strongly Disagree | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Strongly Agree

16. We should buy from foreign countries only those products that we cannot obtain within our own country:

Strongly Disagree | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Strongly Agree

17. French consumers who purchase products made in other countries are responsible for putting their fellow French people out of work:

Strongly Disagree [1] [2] [3] [4] [5] [6] [7] Strongly Agree

18. Gender:
     Male   Female

19. Age:
     (Open Numerical Answer)

20. Highest education level reached:
     Secondary   A Levels   Undergraduate   Postgraduate
     Other

21. Occupation:
     Employed   House-Person   Student   Unemployed   Retired
     Other

22. Number of persons in your household:
     1   2   3   4   5   6   7   8   9   10+

23. Annual Household Income:
     Less than £20,000   £20,000-£39,999   £40,000-£59,999   £60,000-£79,000   £80,000-£99,999
         More than £100,000

A3: Pre-testing Questionnaire (a)

1. Please write next to each country which of the following products you think represents the country best:
   (a) Sweet Chilli Sauce, (b) Prosciutto, (c) Red Wine, (d) Green Tea, and (e) White Yogurt.

France: _____

Greece: _____

Italy: _____

Thailand: _____

Japan: _____

2. Gender: Male   Female

3. Age: ____

4. Where are you from: _____

5. What is your first language? _____

A4: Pre-testing Questionnaire (b)

Please state up to **3** consumable products (e.g. food and beverages) that you associate the most with the following countries:

France:

Italy:

Greece:

Thailand:

Japan:

Gender:

Age:

Where are you from?

What is your first language?

Appendix B: In Relation to Chapter 4

B1: Text for Treatment and Control Groups

<u>Text of Treatment Group</u>

Truth is I am not sure how we managed to survive. We spent our childhood years waiting. We had to wait 2 hours after a meal in order to go swimming, we were supposed to rest for 2 hours after lunch and we had to fast on a Sunday morning before going to the church. Even pain would go by waiting!

Looking back it's hard to believe that we are still alive. We used to travel in cars without seatbelts and airbags. We used to be in the car for 10-12 hours, 5 people crammed in a tiny car and we didn't complain. We didn't have ways to baby proof our doors, wardrobes, medicines, and windows. We used to go cycling without helmets, we used to catch a ride with strangers, and we used to go on motorcycles with no license. We used to leave our house in the morning, go play with our neighbors all day and wouldn't come back home till dawn. We didn't have cellphones.

We used to eat candy and sweets but we weren't overweight. We used to share bottled water and soda and no one ever got ill from it. We didn't have PlayStation, Nintendo, 99 different channels on TV, DVDs, home cinema systems, computers or the internet. We had friends. We used to just make plans and meet them. Often we wouldn't even make plans, we would just get out of the house, onto the streets, and meet with them and just chill or play chasing. That was about all the technology that we had.

We used to just walk around the neighborhood and shout to our friends from the streets. Without calling first and without getting our parents' permission... imagine; All alone in this cruel world... How did we even manage?

At school we would all play group games if someone didn't want to be part of it then that was their problem. Some were good students, others not and they would have to repeat a year.

We used to have a 3-month holiday in the summer and spent hours at the beach every day without having to worry about sunscreen and hats. We used to make big sand castles and go fishing with our friends. We used to chase girls we liked as an excuse to become intimate and wouldn't go online to find the courage to talk to them.

We used to be free, we used to fail but move on and used to succeed. And with all of that we grew up. If the above sounds familiar, then congratulations, you were lucky enough to be a child!

<u>Text of Control Group</u>

This is one of the most important aspects of taking a photograph and how it turns out. It is also incredibly complicated as lighting is something that changes constantly: a photograph can be taken outside, or inside, in the day or at night, or even at a location where circumstances constantly change. In this article you will find some useful advice that will help you with this aspect of photography; advice that is tailored to photography newbies. So let's consider the following:

Taking a picture outside in the street. Here you need to be extra careful when selecting what day you'll be taking the pictures, as the weather is going to affect your pictures tremendously. For example if it's very cloudy you are likely to end up with moody, slightly boring pictures but then if it's a very bright day it might prove difficult to avoid a lot of contrast on the picture. The ideal weather would be sunny, but with a few clouds; extreme weather would always be more challenging. Also, in terms of timing, early in the morning or late in the afternoon are the best times to take pictures outside as the lighting is ideal.

Now what about taking a picture indoors? Well, the weather is equally important. You would get the best results if it's a sunny day. If however, there is not enough natural light, then you would of course have to use flash. Do remember that lighting can affect a photograph in various ways depending on how far the subject from the source of light (natural or flash) is. This means that if, for example, you are relying on natural light that comes in from the windows, the further away you are from the windows, the worse the picture will look.

In the instance where there is not enough natural light, the best way to take a good quality picture is to use flash. First of all you need to make sure that you are standing the correct distance from the subject. If you take a picture from closer than 1.5m, it is very likely that the flash will show a reflection in the picture. On the other hand if you take a picture from over 10m of distance it will probably be too dark. Therefore, the optimal distance would be anywhere from 1.5m to 10m. Don't be alarmed if by using flash you end up with red eyes in the picture; this is something that can be fixed by using special software. And lastly, make sure that there are no objects around that might be reflected in the picture!

B2: Questionnaire for Treatment and Control Groups

 Please read the [*text below*] and answer the following questions

1. Please type-in the single, strongest, thought or emotion that came to mind while reading the text

2. In the next session you will be asked to rate a song. Would you like to listen to a Greek or a foreign song?
            Greek   Foreign

3. How much do you like this song?

            1 (didn't like it at all) 2 3 4 5 6 7 (liked it very much)

---

1. Gender:
        Male   Female

2. Age:
        (Open Numerical Answer)

3. Highest education level reached:
        Secondary   A Levels   Undergraduate   Postgraduate
        Other

4. Occupation:
        Employed   House-Person   Student   Unemployed   Retired
        Other

5. Number of persons in your household:
        1   2   3   4   5   6   7   8   9   10+

6. Annual Household Income:
 Less than £20,000   £20,000-£39,999   £40,000-£59,999   £60,000-£79,000   £80,000-£99,999
        More than £100,000

Appendix C: In Relation to Chapter 5

C1: Text for Treatment and Control Groups

Text of Treatment Group

According to the Oxford Dictionary, 'nostalgia' is defined as a 'sentimental longing for the past.'

Please bring to mind a **nostalgic event** that you experienced as a citizen of Greece. This should be a nostalgic event that involves other Greeks. Specifically, try to think of a past event that you shared with other Greeks (friends, family, co-workers) that makes you feel particularly nostalgic.

Please write a minimum of 150 words about this event, and why it has made you feel nostalgic.

Please write down five keywords relevant to this nostalgic event (i.e., words that describe the experience).

Keywords that describe this nostalgic event:

_____

_____

_____

Text of Control Group

Please bring to mind an **ordinary event** that you experienced as a citizen of Greece. This should be an ordinary event that involves other Greeks. Specifically, try to think of a past event that you shared with other Greeks (friends, family, co-workers) that is ordinary.

Please write a minimum of 150 words about this event.

Please write down five keywords relevant to this ordinary event (i.e., words that describe the experience).

Keywords that describe this ordinary event:

_____

_____

_____

C2: Questionnaire for Treatment and Control Groups

In the next session you will be asked to rate a song. Would you like to listen to a Greek or a foreign song?

Greek   Foreign

How much do you like this song?

1 (didn't like it at all) 2 3 4 5 6 7 (liked it very much)

Now please listen to the other song:

How much do you like this song?

1 (didn't like it at all) 2 3 4 5 6 7 (liked it very much)

In the next session you will be asked to rate a TV clip. Would you like to watch to a Greek or a foreign TV clip?

Greek   Foreign

How much do you like this TV clip?

1 (didn't like it at all) 2 3 4 5 6 7 (liked it very much)

Now please watch the other TV clip:

How much do you like this TV clip?

1 (didn't like it at all) 2 3 4 5 6 7 (liked it very much)

1. Gender:
   Male   Female

2. Age:
   (Open Numerical Answer)

3. Highest education level reached:
   Secondary   A Levels   Undergraduate   Postgraduate
   Other

4. Occupation:
   Employed   House-Person   Student   Unemployed   Retired
   Other

5. Number of persons in your household:
   1   2   3   4   5   6   7   8   9   10+

6. Annual Household Income:
   Less than £20,000   £20,000-£39,999   £40,000-£59,999   £60,000-£79,000   £80,000-£99,999
   More than £100,000

Appendix D: In Relation to Chapter 6

D1: Mediation Results on Song Choice

```
OLS regression: meaning on iv (a1 path)
-------------------------------------------------------------------------------
     meaning |      Coef.   Std. Err.      t    P>|t|                     Beta
-------------+-----------------------------------------------------------------
       group |   1.948864   .2864309     6.80   0.000                 .6392319
       _cons |   3.854167   .1980853    19.46   0.000                        .
-------------------------------------------------------------------------------


Logit: dv on iv (c path)
Logistic regression                             Number of obs   =          69
                                                LR chi2(1)      =       35.68
                                                Prob > chi2     =      0.0000
Log likelihood = -29.921725                     Pseudo R2       =      0.3735
-------------------------------------------------------------------------------
  songchoice |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------+-----------------------------------------------------------------
       group |   3.402387   .6795754     5.01   0.000     2.070444     4.73433
       _cons |  -1.421386   .4211174    -3.38   0.001    -2.246761   -.5960107
-------------------------------------------------------------------------------


Logit: dv on mv & iv (b & c' paths)
Logistic regression                             Number of obs   =          69
                                                LR chi2(2)      =       46.66
                                                Prob > chi2     =      0.0000
Log likelihood = -24.432197                     Pseudo R2       =      0.4885
-------------------------------------------------------------------------------
  songchoice |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------+-----------------------------------------------------------------
     meaning |   1.073827   .3777045     2.84   0.004       .33354    1.814115
       group |   2.226902   .7569993     2.94   0.003     .7432111    3.710594
       _cons |  -6.124988   1.865488    -3.28   0.001    -9.781277   -2.468699
-------------------------------------------------------------------------------
```

D2: Mediation Results on Ratings

Seemingly unrelated regression: Home Ratings
```
----------------------------------------------------------------
Equation          Obs  Parms      RMSE    "R-sq"      chi2      P
----------------------------------------------------------------
meaning            69      1   1.171161   0.4086     47.68   0.0000
greekrating        69      2    1.14675   0.3189     32.30   0.0000
----------------------------------------------------------------
```

```
-------------------------------------------------------------------------
             |      Coef.   Std. Err.      z    P>|z|    [95% Conf. Interval]
-------------+-----------------------------------------------------------
meaning      |
       group |   1.948864   .2822492     6.90   0.000    1.395665   2.502062
       _cons |   3.854167   .1951934    19.75   0.000    3.471595   4.236739
-------------+-----------------------------------------------------------
greekrating  |
     meaning |   .2420616   .1178766     2.05   0.040    .0110277   .4730955
       group |   .9929014   .3593774     2.76   0.006    .2885347   1.697268
       _cons |   3.844832   .4928812     7.80   0.000    2.878803   4.810861
-------------------------------------------------------------------------
```

Seemingly unrelated regression: Foreign Ratings
```
----------------------------------------------------------------
Equation          Obs  Parms      RMSE    "R-sq"      chi2      P
----------------------------------------------------------------
meaning            69      1   1.171161   0.4086     47.68   0.0000
foreignrating      69      2   1.437529   0.1770     14.84   0.0006
----------------------------------------------------------------
```

```
-------------------------------------------------------------------------
              |      Coef.   Std. Err.      z    P>|z|    [95% Conf. Interval]
--------------+----------------------------------------------------------
meaning       |
        group |   1.948864   .2822492     6.90   0.000    1.395665   2.502062
        _cons |   3.854167   .1951934    19.75   0.000    3.471595   4.236739
--------------+----------------------------------------------------------
foreignrating |
      meaning |  -.0813876   .1477664    -0.55   0.582   -.3710044    .2082291
        group |  -1.162094    .450504    -2.58   0.009   -2.045065   -.2791222
        _cons |    5.45257   .6178602     8.82   0.000    4.241587   6.663554
-------------------------------------------------------------------------
```