Examining the Effects of Animosity, Consumer Ethnocentrism, and Cosmopolitanism on Consumers’ Attitudes toward Products from Adversarial Country: A Two-Country Study

Ronnie (Chuang Rang) Gao
Yanliu Huang
Trina Larsen Andras
Consumers have different attitudes toward foreign products and cultures.

Three distinct constructs:

- Consumer ethnocentrism (CE)
- Animosity
- Cosmopolitanism (COS)
Klein et al.’s (1998) Study

• First study examining the predictive power of animosity and CE among Chinese consumers toward products from Japan

• Major findings:
  • Animosity has no effect on product judgments, but has a direct, negative impact on purchase intent, which in turn, predicts actual product ownership.
  • CE negatively affects both product judgment and purchase intent.
Research Questions

- Sixteen years after their study, do the relationships still hold?
- Can Klein et al.’s findings be extended to other countries?
- In addition to animosity and CE, any other variables, such as COS, affect consumers’ reactions toward products from adversarial countries?
• Will know whether Chinese consumers will react differently from sixteen years ago;

• Will have a fuller picture regarding what individual traits play a role in consumers’ reactions toward products from adversarial country;

• Will know whether the individual traits in consumer reactions are different across countries;

• Will provide managerial implications regarding how to effectively promote products in adversarial countries.
Method

• **Task**: To examine the three questions by surveying consumers in the U.S. and China.

  • The two largest economies in the world; thus, knowing the impacts of animosity, CE, and COS among consumers in the two countries has significant implications.

• **Survey Participants**: 124 U.S. participants (52.4% women; members of a large national online panel) and 191 Chinese participants (63.3% women; residents in a university city district in Hangzhou, Zhejiang Province).

• **Adversarial countries**: Japan for Chinese consumers and China for American consumers.
Measures

- Animosity (Klein et al. 1998): e.g., “I will never forgive Japan for the Nanjing Massacre” and “The Chinese are doing business unfairly with the U.S.”
- CE (Shimp and Sharma 1987): e.g., “Only those products that are unavailable in the U.S. should be imported.”
- COS (Cleveland and Laroche 2007): e.g., “I enjoy exchanging ideas with people from other cultures or countries.”
- Product judgment (Klein et al. 1998): e.g., “Products made in China are carefully produced and have fine workmanship.”
- Non-purchase intent (Klein et al. 1998): e.g., “Whenever possible, I avoid buying Chinese products.”
- Actual product ownership: the sum of four product categories: camera, camcorder, TV, and DVD player.
Data Analyses

• Forward addition regression analyses with animosity, CE, COS, their two-way and three-way interactions as independent variables (IV) all standardized to reduce multi-collinearity (Aiken and West 1991).

• Dependent variables (DV): Product judgment, non-purchase intent, and actual product ownership.

• Interaction effects – Spotlight analysis and simple slope analysis.
Regression Results

<table>
<thead>
<tr>
<th></th>
<th>Product Judgment</th>
<th>Non-purchase Intent</th>
<th>Product Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>China</td>
<td>U.S.</td>
<td>China</td>
</tr>
<tr>
<td>Constant</td>
<td>3.000***</td>
<td>2.891***</td>
<td>2.811***</td>
</tr>
<tr>
<td>Animosity</td>
<td>0.098*</td>
<td>-0.371***</td>
<td>0.412***</td>
</tr>
<tr>
<td>CE</td>
<td>0.072</td>
<td>0.162</td>
<td>0.361***</td>
</tr>
<tr>
<td>COS</td>
<td>0.099</td>
<td>-0.009</td>
<td>-0.036</td>
</tr>
<tr>
<td>Animosity x CE</td>
<td>0.073*</td>
<td>-0.055</td>
<td>0.048</td>
</tr>
<tr>
<td>Animosity x COS</td>
<td>0.025</td>
<td>0.226***</td>
<td>0.083</td>
</tr>
<tr>
<td>CE x COS</td>
<td>-0.003</td>
<td>-0.064</td>
<td>-0.160***</td>
</tr>
<tr>
<td>Animosity x CE x COS</td>
<td>0.065**</td>
<td>-0.085</td>
<td>-0.086</td>
</tr>
<tr>
<td>Product Judgment</td>
<td>-0.085</td>
<td>-0.086</td>
<td>0.222*</td>
</tr>
<tr>
<td>Product Judgment x Animosity</td>
<td>0.188</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Judgment x CE</td>
<td>-0.172</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Judgment x COS</td>
<td>0.009</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-purchase Intent</td>
<td>-0.026</td>
<td>-0.928</td>
<td></td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.137**</td>
<td>0.269***</td>
<td>0.472**</td>
</tr>
<tr>
<td>Highest VIF</td>
<td>1.598</td>
<td>2.201</td>
<td>1.637</td>
</tr>
</tbody>
</table>

Note.—Standardized regression weights are presented.

*p < .05
**p < .01
***p < .001
China Sample:
• *A positive* main effect of animosity \((B = .098, t = 2.222, p = .028)\);
• An animosity x CE interaction effect \((B = .073, t = 2.211, p = .028)\):
  • High CE:
    \[B = .171, t = 3.122, \quad p = .002;\]
  • Low CE:
    \[B = .025, t = .456, \quad p = .649.\]
• An animosity x CE x COS interaction effect \((B = .065, t = 3.426, p = .001)\).
Results – Product Judgment

U.S. Sample:

• A negative main effect of animosity ($B = -0.371$, $t = -6.134$, $p < .001$);

• An animosity x COS interaction effect ($B = 0.226$, $t = 3.722$, $p < .001$);

  • High COS:
    $B = -0.145$, $t = -1.872$, $p = .063$;

  • Low COS:
    $B = -0.597$, $t = -5.970$, $p < .001$;
Results – Non-Purchase Intent

China Sample:

- Both animosity ($B = .412, t = 7.476, p < .001$) and CE ($B = .361, t = 6.121, p < .001$) have positive main effects.

- A CE x COS interaction effect ($B = -.160, t = -3.723, p < .001$)
  - High COS:
    - $B = .201, t = 2.843,$
    - $p = .005;$
  - Low COS:
    - $B = .521, t = 7.368,$
    - $p < .001.$
U.S. Sample:

- Both animosity ($B = 0.244$, $t = 3.301$, $p = 0.001$) and CE ($B = 0.484$, $t = 7.845$, $p < 0.001$) have positive main effects.
Results – Actual Product Ownership

- Non-purchase intent has no effect on actual product ownership in both samples (China sample: $B = .059, t = .810, p = .419$; U.S. sample: $B = .082, t = .630, p = .530$).

- However, product judgment has positive main effects on product ownership in both samples (China sample: $(B = .222, t = 1.974, p = .050$; the U.S. sample: $(B = .610, t = 3.448, p = .001$).
Summary of Findings - China

- **Consistent with Klein et al.’s (1998) study:**
  - Animosity positively affect non-purchase intentions of Japanese products.
  - CE positively affect non-purchase intentions of Japanese products.

- **Inconsistent with Klein et al.’s (1998) study:**
  - Animosity *positively* affects judgments about Japanese products.
  - Product judgment, rather than non-purchase intent, positively affects actual product ownership.

- **New findings:**
  - Animosity x CE interaction effect on judgments about Japanese products.
  - The above interaction effect is further moderated by COS.
  - CE x COS interaction effect on non-purchase intentions of Japanese products.
Summary of Findings – U.S.

- **Consistent with Klein et al.’s (1998) study:**
  - Animosity positively affects non-purchase intentions of Chinese products.
  - CE positively affects non-purchase intentions of Chinese products.
- **Inconsistent with Klein et al.’s (1998) study:**
  - Animosity *negatively* affects judgment of Chinese products.
    - Yet consistent with subsequent studies, e.g., Ettenson and Klein (2005) and Shoham et al. (2006).
  - Product judgment, rather than non-purchase intent, positively affects actual product ownership.
- **New finding:**
  - Animosity x COS interaction effect on judgment of Chinese products.
Theoretical Contributions

• Advanced the understanding of consumers’ reactions toward products from adversarial countries, which provided us with a fuller picture on this topic.

• Consumers’ reactions are complex and dynamic:
  • The reactions of Chinese consumers are significantly different from sixteen years ago.
  • The reactions of Chinese and U.S. consumers are both similar and different.

• The relationship between animosity and product judgment varies across countries.
  • Overall quality reputation of a country’s products.

• COS’s moderating roles.
Managerial Implications

- Managers can use animosity and CE to predict purchase intent among their consumers;

- But need to take cautions in using animosity to predict product judgment, as the relationship varies across countries.
Limitations

- Limited generalizability of our findings due to:
  - the different patterns shown by consumers in the U.S. and China.
  - animosity: situational characteristic rather than a stable personal orientation.
THANK YOU!