



Modelling effects of consumer animosity: Consumers' willingness to buy foreign and hybrid products



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ABSTRACT

This study aims to examine the effects of animosity on consumers' willingness to buy hybrid products i.e. products that involve affiliations of two or more countries (such as branded in Japan but made in China). While consumers' reluctance to purchase foreign products from countries that they have animosity towards is clearly evident in the current literature, little is known about consumers' attitudes towards hybrid products. As such, the study introduces this new construct (i.e. willingness to buy hybrid products) to the animosity model to determine if animosities consumers would be more receptive or willing to accept hybrid products where the animistic tendencies towards foreign countries in question can be negated by the products' domestic affiliations. To conduct this investigation, the study is undertaken in China where the Chinese consumers' animosity towards the Japanese was examined. The data with a usable sample size of 435 were collected in the Chinese city of Nanjing. The findings of the study revealed that the high level of animosity present against the Japanese resulted in the Chinese consumers' unwillingness to buy Japanese products. More importantly, results showed that the Chinese consumers are not any more receptive to hybrid products as such domestic affiliations have not diluted the animosity. Consistent with the literature, the study has also validated that Consumer Animosity to be a higher-order construct indicated by war and economic animosity. Under the conditions of extreme animosity, Consumer Ethnocentrism does not take a significant role in influencing other constructs in the animosity model.

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1. Introduction

While current Consumer Animosity studies have focused mainly on foreign products, this study extends the Consumer Animosity model by evaluating consumer's attitudes towards hybrid products. Various research gaps identified based in the literature include: (1) the need to revalidate the robustness of the Animosity model (Shin, 2001; Ang et al., 2004), and to generalise to various settings (e.g. geographical, demographic, economic and sociological difference) (Klein and Ettenson, 1999; Jung et al., 2002; Shimp et al., 2004), (2) the need to examine the Animosity model beyond "foreign products" (Klein et al., 1998; Nijssen and Douglas, 2004) and (3) the lack of theories in current literature to support the conceptual framework of the Animosity construct (Li and Dant, 1997; Klein and Ettenson, 1999; Shin, 2001). As such, this paper introduces a new construct (i.e. willingness to buy

hybrid products) to the animosity model to determine if animosities consumers would be more willing to accept hybrid products where the animosities tendencies towards foreign countries in question can be negated by the products' domestic affiliations.

The concept of Consumer Animosity, drawn from sociology, is defined as remnants of antipathy (anger) related to previous or ongoing political, military, economic, or diplomatic events that will affect consumers' purchase behaviour (Klein et al., 1998). These antipathies tend to be country-specific and, in many instances, would lead to consumers being reluctant to purchase or even boycott products from the country that they have animosity towards (Klein and Ettenson, 1999; Klein, 2002). While consumers' reluctance to purchase foreign products from countries that they have animosity towards is clearly evident in the current literature, little is known about consumers' attitudes towards hybrid products. As such, this paper introduces a new construct (i.e. willingness to buy hybrid products) to the animosity model to determine if animosities consumers would be more willing to accept hybrid products where the animosities tendencies towards foreign countries in question can be negated by the products' domestic affiliations.

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In more recent COO research, Klein et al. (1998) have identified Consumer Animosity as a vital marketing issue that had been overlooked by the literature. As they have asserted, if countries can lead up to armed conflicts or atrocities because of the tensions and hostilities between them, it is reasonable to suggest that these animosities can also be reflected in the marketplace. For instance, because of anti-American sentiments in the Middle East, Coca-Cola was boycotted to the extent where sales were down by 60% (*The Muslim Cola Wars*, 2003). An even more prominent example of the animosity affect was the call to boycott McDonald's – this due to America's support for Israel – which led to the closure of 175 restaurants in 2002 in the Middle East region resulting in a loss of US\$350 million (*McDonald's to pull out of Middle East*, 2002). This suggestion has indeed proved to have astonishingly serious implications with the initial test of the animosity model (Klein et al., 1998) and many subsequent research studies (Witkowski, 2000; Shin, 2001; Nijissen and Douglas, 2004; Shimp et al., 2004; Ang et al., 2004; Shoham et al., 2006; Riefler and Diamantopoulos, 2007; Bahaee and Pisani, 2009; Hoffmann et al., 2011; Cui et al., 2012; Ma et al., 2012) demonstrating the effects and seriousness of animosity on consumers' purchase decisions and the global economy.

With the rapid phenomenon of globalisation and increasing growth in international trade, businesses are operating in immense competition and challenge. Marketers have clearly identified the need to create competitive advantages in order to stay ahead of their competitors. As such, companies have begun sourcing for cheaper locations to develop or manufacture their products to increase their profits but, at the same time, are also looking for countries that have a strong reputation for quality, expertise or even technological advancement that they are able to associate their products with (Han and Terpstra, 1988; Chao, 1993). This resulted in the emergence of hybrid products that may have components derived from several countries all over the world. As such, the distinction of products being foreign or locally made became much more complicated. Similarly, researchers and marketers are also finding it difficult to study consumers' underlying motivations in such market conditions (Samiee, 1994; Li and Dant, 1997; Romani et al., 2012). Hence, continuous research effort in this area is imminent.

The study undertaken in China aims to examine the effects of Consumer Animosity held by the Chinese consumers against Japanese products and hybrid products that are associated with both China and Japan. Given the long-standing tensions between China and Japan dating as far back as the 19th century, and Japanese occupation of China from 1931 to 1945, Japan has been identified as an offending country and the target of Chinese animosity. More recently, territorial disputes, political differences and the Japanese government's attempt to distort or deny previous war-time wrongdoings have further escalated the animosities tensions (Beehner, 2005). Protests, violence and calls for boycotts on Japanese products have resulted from these recent events. Given the background and relationship between the two countries, this would be considered an ideal setting for the examination of the animosity model for this study.

2. Relevant literature

2.1. Country-of-origin effects

There are substantive amounts of literature written in the area of Country-of-Origin (COO) studies and it has clearly resulted from the recognition of its implication in our marketplace. The “made-in” cue does not only serve as an informational cue for consumers; marketers are also taking advantage of countries' positive image to

indicate their product quality (Bilkey and Nes, 1982; Maheswaran, 1994; Josiassen, 2010). Similarly, researchers have found and demonstrated a vast variety of factors, such as consumers' nationalism, dogmatism, xenophobia, ethnocentrism and animosity, among many others, that will influence consumers' behaviours and purchase decisions regarding local and foreign products (Shimp and Sharma, 1987; Han, 1988; Klein et al., 1998; Wang and Chen, 2004; Chu, 2013).

2.2. Consumer Ethnocentrism

The preference for domestic products over foreign products has been consistently found in most country-of-origin papers (Papadopoulos et al., 1989; Shimp and Sharma, 1987; Netemeyer et al., 1991; Sharma et al., 1995; Riefler, 2012). Even when there are no differences between the products, domestic products are more positively evaluated and perceived. Causes of such consumer ethnocentric tendencies can include nationalism/patriotism and national identity (Han, 1988; Balabanis et al., 2001; Phau and Chan, 2003), xenophobia, national or racial superiority (Adorno et al., 1950; Sharma et al., 1995), animosity (Klein et al., 1998), and feelings of immorality (Shimp and Sharma, 1987). Hence, it is reasonable to assume that consumers choose domestic products over foreign products, when they are identical on all other respects, due to Consumer Ethnocentrism (Shimp and Sharma, 1987; Durvasula et al., 1997; Strizhakova et al., 2012) or prejudice against foreign products (Wall and Heslop, 1986; Sharma et al., 1995; Strizhakova et al., 2012).

2.3. Consumer animosity

The concept of animosity, derived from sociology, refers to strong emotions of dislike and enmity based on beliefs of past and ongoing events of hostility between nations or people that are perceived as unwarranted or as violating social norms (Averill, 1982, 1983). Applying animosity onto the marketing context, “Consumer Animosity” construct is a relatively new introduction into the COO literature and was initially tested by Klein et al. (1998). Consumer Animosity is defined by Klein et al. (1998) as remnants of antipathy (anger) related to previous or ongoing political, military, economic, or diplomatic events that will affect consumers' purchase behaviour. Subsequently, there were a few studies expanding on the Consumer Animosity construct, which include: analysing the antecedents of the Consumer Animosity construct (Klein and Ettenson, 1999; Bahaee and Pisani, 2009; Jimenez and San Martin, 2010), determining the generalisability of the Animosity model (Shin, 2001; Russell and Russell, 2006, 2010), determining the applicability of the animosity model in countries largely exposed to foreign import (Nijissen and Douglas, 2004; Mosley and Amponash, 2006; Funk et al., 2010), and extending the study of animosity into regional animosity within a country (Shimp et al., 2004; Rose et al., 2009; Riefler, 2012).

Existing literature using structural equation modelling has treated Consumer Animosity as a second order construct; predicted by war and economic animosity which form the 1st-order constructs (Klein et al., 1998; Shin, 2001; Klein, 2002). Departing from traditional COO studies, which assume a direct relationship between consumers' product judgments and purchase behaviour, the animosity model deviates itself on two premises. First, Consumer Animosity can affect buying behaviour directly and independently of product judgment. Second, Consumer Animosity is country-specific and cannot be generalised against all foreign countries (Klein et al., 1998; Klein, 2002).

This proposition became a significant landmark in the country-of-origin literature as it is distinctly different from the Consumer Ethnocentrism literature, which has extensively rationalised

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