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The Effects of Attitudes on Foreign Product Judgment among Malaysian Consumers

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Abstract

This study examines the Malaysian consumers' attitudes towards foreign purchase products. More specifically, this study investigates the consumers' attitude whether they have the feeling of boycott, animosity, ethnocentrism, patriotism and worldmindedness towards foreign made products. It has examined how these constructs can affect the foreign product judgment. Only consumer worldmindedness has a positive effect on product judgment of foreign product.

Keywords: boycott, animosity, ethnocentrism, patriotism, worldmindedness, product judgment

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1. Introduction

There are substantial challenges and opportunities in international markets of globalization. Nowadays, the consumer has more foreign product choices due to relaxation of trade policies. Moreover, favorable or unfavorable disposition of consumers towards a country result in acceptance or rejection of products or services offered by particular country (Ahmed, Anang, Othman, & Sambasivan, 2013). Negative attitudes towards foreign made products have been a very popular issue in research of consumer behavior, international business and international marketing.

More specifically, the main objectives of this study are to identify the costumers' attitudes on purchase willingness of foreign products. It is important for us to understand whether consumers in particular country have the feeling of boycott, animosity, ethnocentrism, patriotism, worldmindedness will influence consumers' attitude towards foreign made products. Also, it will examine how these constructs can affect the foreign product judgment and their willingness to purchase the foreign made products.

2. Literature Review

Consumer animosity has gained considerable attention in the international marketing literature as a determinant of foreign product purchase behavior (Park & Yoon, 2017). According to Guo and Zhou (2017), there are many researchers have studied about consumer ethnocentrism in various countries and focused on the consequences of consumer ethnocentrism, but, little is known about the relative importance effects of consumer ethnocentrism on product judgement and willingness to buy foreign made product.

2.1 Consumer attitudes toward foreign product judgment

A study from Klein, Ettenson, and Morris (1998) and Suh and Kwon (2002) stated that consumer ethnocentrism is negatively affect the product judgment of foreign made products. Ahmed et al. (2013), in their study revealed that consumer animosity is negatively effect on foreign product judgment. Consumer boycott revealed as negative impact on foreign product judgment (Abosag & Farah, 2014). An empirical research from Klein et al. (1998) revealed that the consumer patriotism found a negative impact on foreign product judgment. According to El Banna, Papadopoulos, Murphy, Rojas-Méndez, and Rod (2016) found that the Consumer worldmindeness is positively affect the foreign product judgment. We therefore proposed the hypothesis:

Hypothesis 1. Negative relationship between consumer boycott and foreign product judgment.
Hypothesis 2. Negative relationship between consumer animosity and foreign product judgment.
Hypothesis 3. Negative relationship between consumer ethnocentrism and foreign product judgment.
Hypothesis 4. Negative relationship between consumer patriotism and foreign product judgment.
Hypothesis 5. Positive relationship between consumer worldmindedness and foreign product judgment.

2.2 Operationalization of Constructs

Questionnaire was adapted from previous. Table 1 presents the measures used in the study and their respective items.

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Table 1: Operationalization of Constructs

Constructs	Definition	Items
Consumer Animosity	Animosity refers to remnants of antipathy related to previous or ongoing military, political, or economic events that affect consumers' intention to purchase foreign products (Klein et al., 1998).	11
Consumer Boycott	A definition of consumer boycott can be defined as 'an attempt by one or more parties to achieve certain objectives by urging individual consumers to refrain from making selected purchases in the marketplace' (Friedman, 1985).	5
Consumer Ethnocentrism	This study is thought to be vital, since it helps in the understanding of how consumers compare local to imported products (Hamelin, Ellouzi, & Canterbury, 2011).	6
Consumer Patriotism	Patriotism represents love for or devotion to one's country (Sharma et al., 1994).	4
Consumer Worldmindedness	Worldmindedness refers to a "state of mind" in which consumers use humankind as the primary reference group instead of respective nationalities (Rawwas, Rajendran, & Wuehrer, 1996).	3
Product Judgement	Consumers' intention to purchase domestic/foreign products will be influenced by perceived quality (Lu Wang & Xiong Chen, 2004).	6

3. Research Methodology

This is an empirical study that is quantitative in nature as it involves the validation of a survey instrument. The population for this study comprised of consumers in four regions. A total of 512 responses were useable, collected from four regions in Malaysia. There are four major geographical/cluster area for the current research, i.e., Northern, Central, Southern and East Coast. Specifically, the questionnaires were distributed in Pulau Pinang (Northern), Kuala Lumpur (Central), Melaka (Southern) and Terengganu (East Cost) area for the purpose of generalization. The samples were drawn from residents of urban areas in each state selected for the data collection. The urban and suburban consumers were believed to be more knowledgeable about foreign-made products and most of retail centers are located in these towns.

Data were collected through a self-administered questionnaire featuring the items gleaned from existing measures in the literature. The survey questionnaire for the study was developed in English version. The questionnaire consisted of eight sections and all items were measured on a five-point Likert scale and ranged in (1=strongly disagree to 5=strongly agree), except the demographic variables. All measurement items were developed based on previous studies. To analyze respondents' demographic information, SPSS 23.0 was used.

4. Data Analysis

Partial Least Square (PLS) based Structural Equation Modelling (SEM) was adopted for the data analysis. It also can simultaneously test the structural and measurement model, providing a more complete analysis for the inter-relationships. The smart PLS version 3.0 was used to analyze the data. Also, a bootstrapping method (5000 resamples) was used to determine the significance levels of the loadings and path

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coefficients. For demographic results showed that 46.1 percent of the respondents were male, and 53.9 percent of the respondents were female. The majority of the respondent's age is in ranged of 20-29 years old. Majority of the respondents are single, 54.5 percent. Most of the respondents are graduated. Majority of the respondents are Islam, whereas the other religion, Christianity (7.8 percent), Buddhism (16.4 percent) and Hinduism (13.7 percent). The ethnicity of the respondent are Malay (59.8 percent), Indian (16.8 percent), Chinese (19.3 percent), bumiputra Sabah and Sarawak (2.5 percent). The majority of income level of the respondents is less than RM2000.

4.1 Testing the measurement model

First, we need to access the convergent and discriminant validity in measurement model. Factor loadings, composite reliability and average variance extracted were used to assess convergence validity.

Table 2: Convergent Validity

Constructs	Items	Loadings	CR	AVE
Consumer Boycott	CB1	0.798	0.921	0.701
	CB2	0.862		
	CB3	0.887		
	CB4	0.853		
	CB5	0.780		
Consumer Animosity	CA1	0.773	0.952	0.645
	CA2	0.799		
	CA3	0.826		
	CA4	0.824		
	CA5	0.820		
	CA6	0.783		
	CA7	0.808		
	CA8	0.822		
	CA9	0.771		
	CA10	0.763		
	CA11	0.838		
Consumer Ethnocentrism	CE1	0.725	0.889	0.574
	CE2	0.708		
	CE3	0.801		
	CE4	0.861		
	CE5	0.657		
	CE6	0.777		
Consumer Patriotism	CP1	0.773	0.900	0.693

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	CP2	0.882		
	CP3	0.855		
	CP4	0.816		
Consumer Worldmindedness	CWM1	0.883	0.890	0.802
	CWM2	0.908		
Product Judgment	PJ1	0.791	0.912	0.676
	PJ3	0.824		
	PJ4	0.808		
	PJ5	0.855		

Note: CR = Composite Reliability, AVE = Average Variance Extracted. Items CWM3 and PJ2 were deleted.

The loadings for all items exceed the recommended value of 0.6. Composite reliability values (sees Table 2), which showed the degree to which the items indicated the latent construct, ranged from 0.889 to 0.952. It is also exceeded the recommended values of 0.7. The average variance extracted was in ranged of 0.574 to 0.802 which exceeded the recommended value of 0.5. Next, the discriminant validity was tested. It was examined by comparing the correlations between constructs and the square root of the average variance extracted for that construct. As shown in Table 3, the square root of the AVE is greater than the correlation with other constructs indicating adequate discriminant validity. Thus, this measurement model demonstrated adequate convergent and discriminant validity.

Table 3: Inter-Construct Correlation

	1	**2**	**3**	**4**	**5**	**6**
CA	**0.803**					
CB	0.640	**0.837**				
CE	0.495	0.474	**0.758**			
CP	0.556	0.544	0.669	**0.832**		
CW	-0.065	-0.170	-0.020	-0.034	**0.896**	
PJ	0.117	-0.004	0.140	0.151	0.575	**0.822**

Note: Diagonal elements are the square root of the AVE of the reflective scales while the diagonals are the correlations between constructs

4.2 Testing the structural model

The structural model signifies the correlation between constructs or latent variables. Table 4 shows the results of the hypotheses.

Table 4: *Summary of Structural Model*

Hypothesis	**Relationship**	**Std. Beta**	***t*-Value**	**P Values**	**Result**
H1	CB_ -> PJ	-0.056	0.931	0.176	Not Supported

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H2	CA -> PJ	0.103	1.699**	0.045	Supported
H3	CE -> PJ	0.056	0.924	0.178	Not Supported
H4	CP_ -> PJ	0.106	1.933**	0.027	Supported
H5	CWM -> PJ	0.576	16.605***	0.000	Supported

*Note: *p<0.10, **p<0.05, ***p<0.01 (based on one-tailed test)*

5. Discussion of Findings

Based on the result, it shown that only consumer worldmindedness has a positive effect on product judgment of foreign made products. This is quite consistent with the results of previous study where most of the research findings found that worldmindedness will positively affect the consumers' judgment on foreign made products. The will not evaluate the products base the origin of the products but it will be based on the features of that particular product possess. In consumer boycott and consumer ethnocentrism surprisingly have no significant effects on the product judgment. Possibly because Malaysia not quite having high ethnocentric tendencies and might be because there are no clear issues that really spark the intention of Malaysian consumers to boycott any products or countries.

Furthermore, for consumer animosity and consumer patriotic attitude among Malaysian, the current study concluded that consumers will negatively judge foreign made products regardless the origin that particular products. The H2 and H4 then supported at 95% confidence level. However, for consumer animosity study, there are mixed of results of the previous researchers. The current study found that the animosity attitude of Malaysian consumers will affect their quality judgment towards foreign made products in general. However, most of the previous study found that animosity exist only for specific target country. This is quite contradict with the results of previous studies.

As hypothesized, the consumers that hold worldmindedness attitude are strongly shows positive judgment for products imported abroad. This is consistent with most of the previous study where the consumers with this kind of attitudes will be a major target by foreign products, foreign brands and foreign producers. Further investigation needed to understand and clarify more on the attitudes of Malaysian consumers on foreign products judgment especially on why boycott and ethnocentrism are not affecting their judgement.

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