

Role of Ethnocentrism, Animosity, and Foreign Product Judgement on Local Brand Purchase Intention

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Abstract

The competition of local and foreign products is constantly competing for a place in the hearts of consumers. The intensity of competition between local and foreign products puts high pressure on local producers in developing countries such as Indonesia, especially to be able to compete and have their own markets. This study explores the perception of competition between local and foreign products from the consumer side, with a special focus on the relationship between consumer ethnocentrism and animosity and foreign product judgement in influencing the intention to buy local products both directly and mediately. The questionnaire was distributed to 144 consumers of local products. The data analysis method in this study uses PLS-SEM. The results of this study succeeded in confirming the relationship between consumer ethnocentrism and animosity in local fashion products, but on the one hand, consumers did not see animosity or foreign product judgement on foreign products as factors that influenced purchasing decisions on local products. However, consumer preferences for purchasing domestic products are not influenced by the perception of foreign products. On the other hand, the decision to buy local products is also driven by consumer preferences for domestic products (consumer ethnocentrism) rather than feelings of hatred for a nation (animosity) or judgment of foreign products. This research makes a valuable contribution in understanding consumer behavior towards local products

Peran Etnosentrisme, Animosity, dan Penilaian Produk Asing terhadap Niat Pembelian Merek Lokal

Abstrak

Persaingan antara produk lokal dan asing terus berlanjut dalam upaya merebut tempat di hati konsumen. Intensitas persaingan antara produk lokal dan asing memberikan tekanan yang tinggi bagi produsen lokal di negara-negara berkembang seperti Indonesia, terutama untuk dapat bersaing dan memiliki pasar sendiri. Penelitian ini mengeksplorasi persepsi persaingan antara produk lokal dan asing dari sudut pandang konsumen, dengan fokus khusus pada hubungan antara etnosentrisme konsumen dan kebencian terhadap produk asing dalam mempengaruhi niat membeli produk lokal, baik secara langsung maupun tidak langsung. Kuesioner dibagikan kepada 144 konsumen produk lokal. Metode analisis data dalam penelitian ini menggunakan PLS-SEM. Hasil penelitian ini berhasil mengkonfirmasi hubungan antara etnosentrisme konsumen dan animositas terhadap produk lokal, namun di sisi lain, konsumen tidak melihat animositas atau penilaian terhadap produk asing sebagai faktor yang mempengaruhi keputusan pembelian produk lokal. Namun, preferensi konsumen untuk membeli produk domestik tidak dipengaruhi oleh persepsi terhadap produk asing. Di sisi lain, keputusan untuk membeli produk lokal juga dipengaruhi oleh preferensi konsumen terhadap produk domestik (etnosentrisme konsumen) daripada perasaan kebencian terhadap suatu negara (animositas) atau penilaian terhadap produk asing. Penelitian ini memberikan kontribusi berharga dalam memahami perilaku konsumen terhadap produk lokal.

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High pressure for local producers in developing countries such as Indonesia in particular must be able to compete effectively with foreign products. Various foreign products are imported into Indonesia, including packaged foods, clothing, cosmetics, and handicrafts. In the last two years (2022-2023) there have been several cases in Indonesia, such as what happened in the local market of Tanah Abang and wholesale centers in various regions in Indonesia. This situation and condition of course also make consumers faced with several alternative product choices, namely domestic products, and foreign products. The increasing variety of product choices results in consumers often being biased in their preferences for local and foreign products (Verlegh, 2007). Product information obtained by consumers such as brands, designs, advertisements, and the image of the country of origin has an important role in consumers' evaluation of products (Balabanis & Diamantopoulos, 2016).

The concept used to explain consumer bias towards products produced locally and abroad can be explained using the concept of consumer ethnocentrism (Hsu & Nien, 2008). Consumer ethnocentrism refers to a preference for products related to the country itself. Ethnocentrism can lead consumers to like local products, but this relationship is not always direct (Ramadhan, 2017). Ethnocentrism consumers tend to buy local products because they believe that products made in their own country are considered superior to foreign products (Klein et.al., 1998). While in developing countries, the influence of consumer ethnocentrism on the intention to buy domestic products is weak, this is due to lower product quality assessments (Wang & Chen, 2004). Previous research revealed that in countries with high ethnocentrism tendencies, consumers view foreign products negatively (Saffu *et al.*, 2010; Souiden *et al.*, 2018). This means that consumers with high ethnocentrism will be more profitable for

local products because they have high animosity towards foreign products.

Animosity refers to a strong dislike for a particular country or ethnic group and tends to influence cognitive judgments and affective evaluations of products originating from that country (Souiden et.al., 2018). According to Rose et.al (2009) animosity is also defined as negative feelings that consumers may have towards foreign countries or brands. In this study, the country discussed is Japan, where Japan once colonized Indonesia for 3 years and 8 months and left many scars for the Indonesian people. The Japanese army was very cruel When colonizing Indonesia, there is a lot of evidence and historical stories that tell about Japanese atrocities against Indonesia. However, in the current modern era, whether the pain of colonialism will still affect the preference of Indonesian consumers not to consume Japanese-made goods. Currently in Indonesia, many Japanese brands are starting to enter and have branches in big cities, such as Uniqlo, Onitsuka Tiger, Issey Miyake and so on.

Consumer ethnocentrism gives an unfavorable assessment of foreign products and shows a reluctance to buy these products and they also show prejudice and hostility towards foreign countries and underestimate the attributes of foreign products (Lee *et al.*, 2021; Souiden *et al.*, 2018). Although consumer ethnocentrism and animosity have different antecedents, some studies show the consequences of local product purchase intentions (Bada & Onuoha, 2018; Fakharmanesh & Miyandehi, 2013; Nguyen *et al.*, 2008; Souiden et.al., 2018).

Product judgment is a consumer evaluation of the quality and suitability of local products compared to foreign alternatives (Shin, 2001). The influence of consumer ethnocentrism on the assessment of foreign products and purchase intention for foreign products depends on personal cultural values (Ma *et al.*, 2020).

Purchase intention of foreign products is one of the fundamental components of consumer behavior (Fakharmanesh & Miyandehi, 2013). These purchasing objectives and behaviors are indicated based on product evaluations in which consumers assess the attributes offered by various products used as rational information (Aitken *et al.*, 2020; Fakharmanesh & Miyandehi, 2013).

Currently, consumer ethnocentrism is an important topic to study more deeply, because it is related to consumer preferences regarding the choice between domestic products and imported products (Casado-Aranda *et al.*, 2020; Vuong & Giao, 2020) in this marketing 5.0 era. While several studies have explored the relationship between consumer ethnocentrism and the intention to buy local products directly (Lee & Usunier, 2018).

This research is generally conducted to explore the perception of competition between local and foreign products from the consumer side, with a special focus on how the relationship between consumer ethnocentrism and animosity and foreign product judgment affects the intention to buy local products in the context of local versus foreign product competition.

THEORETICAL STUDIES

Intention to Purchase Local Brand

The study on intention to purchase is an interesting study to be studied further because the higher the purchase intention of consumers was found in the research to be able to accelerate the actual purchase behavior (Wong *et al.*, 2018; Lim & Goh, 2019; Won & Kim., 2020). Intention to purchase is one of the fundamental components of consumer behavior (Fakharmanesh & Miyandehi, 2013). These purchase intentions and behaviors are shown based on product evaluations where consumers assess the attributes offered by various products used as rational information (Fakharmanesh & Miyandehi, 2013; Aitken *et al.*, 2020).

Local brand purchase intention is defined as consumers' willingness to purchase goods produced within their own community or country, often driven by factors such as quality perception, support for the local economy, and environmental concerns (Won & Kim., 2020).

Consumer Ethnocentrism

The idea of consumer ethnocentrism was first described by Shimp and Sharma (1987) as "the belief held by American consumers about the appropriateness, indeed morality, of buying foreign-made products". Luque-Martínez *et al.* (2000) state that consumer ethnocentrism represents a tendency to see generalists for all types of society and feel as the center of the universe, thus rejecting culturally different individuals and accepting only those who are culturally similar. Consumer ethnocentrism does not always respond in a "radical" way.

Nijssen & Douglas (2004) concluded that ethnocentric feelings exist even if local brands are not available. CETSCALE is a 17-item scale developed by Shimp and Sharma (1987). It was originally designed to represent American consumers' beliefs about the suitability of buying foreign products. In the original work of Shimp and Sharma (1987) CETSCALE describes consumer beliefs, attitudes, purchase intentions, and consumer choices. Until now, CETSCALE is still used and continues to be developed for consumer ethnocentrism research.

Animosity

Animosity is a feeling of hatred towards a nation or its people caused by military, economic or political aggression in the past or present in the country (Abraham, 2013). Animosity has been defined as "a feeling of residual or antipathy associated with a previous or ongoing military, political or economic event that will influence consumer purchasing behavior in international markets" (Klein *et al.*, 1998). Klein *et al.* (1998) developed a customer

animosity model based on their findings on Chinese consumers' attitudes towards Japan and Japanese products. They explained that hostility towards a particular foreign country will deter consumers from buying products from that country. Studies conducted in other contexts Nijssen & Douglas, (2004) have validated the findings of Klein *et al.* (1998)

Foreign Product Judgement

Consumers' choices for a product are often based on the results of their evaluation and assessment of product preferences. Product assessment can help consumers in fostering purchase intention and determining product choice behavior (Quang *et al.*, 2017). In this case, consumers will be more sensitive in assessing foreign products or local products. Often in purchasing behavior, consumers compare preferences for local and foreign products. Foreign product assessment refers to the cognitive process that consumers carry out when evaluating products that come from abroad. This construction is influenced by the interaction of complex factors, including consumer ethnocentrism, the effect of the country of origin, and the perceived quality of the product. Foreign product judgment is greatly influenced by consumer attitudes towards foreign countries and their products, such as brand and product quality (Kiriri, 2019).

Foreign product assessment refers to the cognitive process that consumers undertake when evaluating products that come from abroad (Han *et al.*, 1999). It includes the formation of perceptions, attitudes, and beliefs about the quality, value, and desire of products manufactured or designed outside the consumer's country of origin.

The Effect of *Consumer Ethnocentrism* on *Animosity*

Consumer ethnocentrism and animosity are often studied together because of their interrelated nature in influencing consumer behavior, especially in the

context of purchase intentions and decisions. Consumer ethnocentrism refers to consumer preferences towards domestic products rather than foreign alternatives, while animosity is a concept that focuses on negative feelings or attitudes towards a particular foreign country or its products (Kusumawardani & Yolanda, 2021). These two variables can lead to a preference for local brands, giving rise to different constructs, several studies have explored the relationship between consumer ethnocentrism and animosity, finding support for their linkage. A positive relationship between consumer ethnocentrism and animosity has been found in Abraham's (2013) research. Klein *et al.*, (1998), Shankarmahesh, (2006) and Abraham (2013) found that the more a consumer harbors feelings of animosity towards a particular country, the more likely he or she is not to choose a product from that country.

Hypothesis 1: Consumer Ethnocentrism has a significant effect on Animosity in fashion products

The Influence of Consumer Ethnocentrism on Foreign Product Judgement

The concept of *consumer ethnocentrism* in the research of Shimp and Sharma (1987) and animosity (Klein *et al.*, 1998) is generally used to understand customer tendencies towards foreign product judgment. It was found that consumers do not have the same level of ethnocentric tendencies in different countries and in the same country. Consumer ethnocentrism significantly affects foreign product judgement. High levels of ethnocentrism tend to lead to negative perceptions of foreign products (Nature et al 2022; Kusumawardani & Yolanda, 2021).

This relationship occurs because consumer ethnocentrism has a preference for domestic products rather than alternatives to foreign products. Beliefs support local industries contribute to the nation's economic well-being, and they have little or no cognitive processes that consumers undertake when evaluating products

that come from abroad. It involves the formation of perceptions, attitudes, and beliefs about the quality, value, and desire of these products.

Hypothesis 2: Consumer Ethnocentrism has a significant effect on foreign product judgement on fashion products

The Influence of Consumer Ethnocentrism on Intention to Purchase Local Brands

Several studies have shown a positive relationship between consumer ethnocentrism in intention to purchase local brands (Netemeyer *et al.*, 1991; Han *et al.*, 1999). Consumers with high ethnocentric tendencies are more likely to perceive local brands as superior and supportive of the domestic industry (Kumar and Krishnan, 2002). Consumers who are highly ethnocentric are more likely to buy local products and have a disadvantaged attitude towards foreign brands (Bandara & Miloslava, 2012). This can be caused by excessive assessment of the attributes and quality of domestic products and underestimation of the quality of foreign goods (Sharma *et al.*, 1995). Highly ethnocentric consumers may have a good attitude towards products from countries that have similar cultures (Watson & Wright, 2000). Contrary to the above findings, Yim Wong *et al.*, (2008) and Nijssen & Douglas (2004) found that the level of consumer ethnocentrism may not have a direct effect on the intention to purchase local brands.

Hypothesis 3: Consumer Ethnocentrism has a significant effect on Intention to Purchase Local Brands in fashion products

The Effect of Animosity on Local Brand Purchase Intention

Research related to animosity shows that consumers with high hostility to foreign products are more likely to like local brands (Klein & Ettenson, 1999). This relationship is often associated with consumer ethnocentrism, as both constructions have the same underlying orientation towards domestic products. Consumers with high animosity towards a particular country are more

likely to avoid products that come from that country, regardless of other factors such as product quality or price (Heiman & Just, 2021). Some studies have shown that animosity has a negative effect on the intention to purchase foreign products, such as Klein *et al.* (1998, 1999, 2002), Shin (2001), Nakos & Hajidimitriou (2007), Torres & Gutierrez (2007), Bahae & Pisani (2009), and Huang *et al.* (2010) found the phenomenon of animosity, which in turn negatively impacts consumers' intention to buy Taiwanese products from mainland China and Japan. The study of Nijssen & Douglas (2004) found that hostility has a positive impact on the reluctance to buy foreign products

Hypothesis 4: Animosity has a significant effect on Intention to Purchase Local Brands in fashion products

The Effect of Foreign Product Judgement on Intention to Purchase Local Brands

The relationship between foreign product judgement and intention to purchase local brands is complicated and influenced by several factors. Basically, consumers' perception of foreign products can significantly influence their decision to choose domestic alternatives. Research shows that a positive perception of foreign products can negatively impact the intention to buy a local brand. Previous research revealed that the assessment of imported products can increase intention to purchase (Nguyen *et al.*, 2008; Quang *et al.*, 2017). The perception that local brands are more affordable or more in line with local needs can also positively affect purchase intentions (Jain, 2023). Research by Vuong & Khanh Giao (2020) shows that some consumers may prioritize foreign products because in their eyes foreign brands are more prestigious, while other consumers show a strong preference for local brands due to patriotism or support for the local economy. Thus, the interaction between foreign product valuations and local brand intent is shaped by a variety of factors,

including quality perception, cultural identity, and economic considerations.

Hypothesis 5: Foreign product judgement has a significant effect on Intention to Purchase Local Brand

METHOD

This research is a type of explanatory research that investigates the relationship between independent variables and dependent variables. The population in this study is consumers who have purchased local fashion products from Indonesian MSMEs at least 1 time. The population is *infinite* or unknown. To test the framework of the model that has been formulated, data is collected through a questionnaire survey on the sample through the purposive sampling method in determining the sample. Non-probability sampling was used further, while the sample was drawn purposively with the following criteria: (1) Respondents were at least 18 years old; (2) Respondents knew the history of Japanese colonization of Indonesia; (3) Respondents have a fashion preference for Japanese foreign product brands, such as Uniqlo, Onitsuka Tiger etc.; (4) Respondents have a preference for local Indonesian brand fashion.

The sample size of the study was determined following Hair *et al.* (2012) in estimating the adequacy of samples that meet the minimum sampling rules in order to be analyzed using SEM, which is between 30-500 samples (Hair *et al.* 2011). The method used in collecting or collecting research data is by using the survey method through questionnaires. PLS-SEM (Partial Least Square-Structured Equation Modelling) is used to analyze data because it is most widely applied in management science research.

The questionnaire in this study was built from several credible predecessor journals, the question items for customer ethnocentrism were taken from 17 CETSCALE (Consumer's Ethnocentric Tendencies) measurement items of Shimp & Sharma (1987) in Jiménez-Guerrero *et al.* (2012), then for the variable animation question

items built from the research of Klein (2002), Nakos & Hajidimitriou (2007) and Narang (2016) with a total of 10 question items. The foreign product judgement variable was sourced from research by Nguyen *et al.* (2023) as many as 4 items and finally the variable Intention to purchase local brand items in question was built from research by Nguyen *et al.* (2023) and Narang (2016) as many as 7 items. So, the total construct of this research questionnaire consists of 38 questions that are constructed.

RESULTS AND DISCUSSION

The sample in this study amounted to 144 respondents with a total of 59 men and 85 women. The majority of respondents in this study were between 21-25 years old with a total of 100 respondents, while the other number was 33 respondents under 21 years old, 5 respondents between 26-30 years old, 3 respondents between 31-40 years old, and 3 respondents over 40 years old. The educational background owned by the respondents also varied. The last level of education of the respondents was dominated by 74 high school/high school graduates, followed by 62 respondents from Strata 1 (S1), 7 respondents from Diploma and 1 respondent from Strata 2 (S2). None of the respondents were Strata 3 (S3) graduates in this study.

The work of the respondents also varied, the largest on average was 113 students, 13 respondents were private employees, 8 respondents were entrepreneurs, then those who came from the housewife profession also became respondents as many as 2 people while respondents who worked as civil servants as many as 2 people, 5 other respondents had other professions outside the categories that had been provided. The variety of jobs or professions that respondents live also varies in the category of monthly income. The majority of respondents in this study have a monthly income of less than IDR 2,000,000,- as many as 88

respondents, this is in line with the distribution of respondents who mostly come from the student profession, then 46 respondents have a monthly income of IDR 2,000,000 – IDR 5,000,000. Monthly income of IDR 5,000,000- IDR 8,000,000 as many as 6 respondents, then finally as many as 2 respondents each for respondents' income of IDR 8,000,000 – IDR 11,000,000 and more than IDR 11,000,000 Monthly.

Because this study focuses on the intention to purchase local products, especially local clothing brands, the researcher asked about previous purchase history in order to measure how consistent the respondents' purchase intention was with their real actions in the past. If a person buys similar products frequently, then it is likely that their current purchase intention will be stronger. A total of 95 respondents sometimes buys local clothing fashion brands in a year (3-5 local clothing products are owned), then as many as 42 respondents often make purchases (5-8 local clothing products are owned) and as many as 7 respondents always buy local clothing products (more than 10 local clothing products are owned).

Table 1 – Demographics of Respondents

Variable	Variable Classification	f	%
Gender	Man	59	41%
	Woman	85	59%
Age	Under 21	12	6%
	21-25	33	23%
	26-30	100	69%
	31-40	5	3%
	Above 40	3	2%
Year of Birth	Baby Boomers (<1977)	1	1%
	Millennials (1977-1995)	6	4%
	Gen Z (1996-2010)	137	95%
Last Education	High School / High School	74	51%
	Diploma	7	5%
	Strata 1 (S1)	62	43%
	Strata 2 (S2)	1	1%
Work	Strata 3 (S3)	0	0%
	Student	113	78%
	Civil Servants	2	1%
	Private Employees	13	9%
	Entrepreneurial	8	6%
	Housewives	3	2%
	Other	5	3%
Monthly Income	< 2,000,000	88	61%
	2.000.000 - 5.000.000	46	32%
	5.000.000 - 8.000.000	6	4%
	8.000.000 - 11.000.000	2	1%

	> 11,000,000	2	1%
Experience in buying local clothes in a year	Sometimes (3-5 local clothing products are owned)	95	66%
	Often (5-8 local clothing products are owned)	42	29%
	Always (more than 10 local clothing products are owned)	7	5%

Source: data processed, 2024

Model evaluation includes inter-construct correlations (alpha reliability and Cronbach composites) to evaluate internal consistency and extracted mean variance (AVE) to evaluate convergence validity. Also, cross weights are used to assess the validity of discrimination of each variable. Table 2 presents the reliability, validity, and correlation matrix (Fornell and Larcker, 1981).

Table 2 Inter-Construct Correlations (Reliability and Validity)

Construct	Reliability		Convergent Validity
	Composite Reliability	Cronbach Alpha	AVE
Animosity	0.909	0.886	0.555
Customer Ethnocentrism	0.900	0.875	0.502
Foreign Product Judgement	0.846	0.771	0.585
Intention to Purchase Local Product	0.848	0.778	0.530

Source: data processed by Smart-PLS, 2024

The first reliability check is using Cronbach's alpha to test the consistency of items where the same indicator loading is assumed. Most experts state that the Cronbach alpha should be greater than 0.70 (> 0.70 = acceptable and > 0.90 = higher) (Nunally and Bernstein, 1994) and that all four variables have a good Cronbach alpha, ranging from 0.720 to 0.887. Assessment of reflective measurement models also includes convergent validity, the extent to which a measure is positively correlated with alternative steps of the same construct. Follow Hair, Hult, Ringle, and Sarstedt (2014) Measurement convergent validity is through average variance extracted (AVE) and outer loading. AVE is used to measure the amount of variance that can be captured by its construct compared to the variance caused by measurement

errors, and must be greater than 0.5 so that 50% or more of the indicator's variance can be accounted for. There is one AVE value that does not meet the criteria, namely below 0.5 is the internal environment variable (0.417). While other variables met the criteria ranging from 0.510 to 0.749, this shows good convergent validity.

A measure of discriminant validity is the extent to which a given construct differs from other constructs (Fornell & Bookstein, 1982) by comparing the square root of the AVE to the correlation between the constructs, where the diagonal element (shown in Table 4.3) must be greater than the correlation coefficient between the construct and the other constructs in the model (off diagonal). The results shown in Table 3 show good discriminant validity.

Table 3 Inter-Construct Correlations Matrix

Construct	Correlation and Discriminant Validity			
	Animosity	Customer Ethnocentrism	Foreign Product Judgement	Intention to Purchase Local Product
Animosity	0.745			
Customer Ethnocentrism	0.309	0.708		
Foreign Product Judgement	-0.038	-0.207	0.765	
Intention to Purchase Local Product	0.233	0.613	-0.256	0.728

Source: data processed by Smart-PLS, 2024

This cross-loading value is another measure of the validity of discrimination. The expected value that each indicator has a higher load for the measured construct compared to the value of cross loading to the other construct. This criterion is generally considered to be somewhat liberal in terms of determining discriminant validity (Hair *et al.*, 2014). Generally, indicators with outer loadings lower than 0.60 should be considered for deletion only when removing the indicator leads to an increase in the added average variance or with composite reliability above the recommended value limit (Hair *et al.*, 2014). There was a total of 12 items (8 items of consumer ethnocentrism, 2 items of animosity and 2 items of intention to purchase local brands) with an outer loading value below 0.6 and

it was decided to be eliminated in the test in order to increase the AVE value and composite reliability. To evaluate the structural model, determinant coefficient (R2), predictive relevance (Q2) and relative measures of the effect of path analysis (f2 and q2) were used. By interpreting these results, researchers can identify construction models of high relevance to account for endogenous latent variables in structural models. The structural model in this study is a recursive model, meaning that only one direction of causality is allowed, and does not contain the direction of feedback on the construct (Vinzi, 2010). Table 4.4 presents the results of R2 and R2 Adjusted of the construct.

Table 4 R Squared & R Square Adjusted

	R Square	R Square Adjusted
Animosity	0.095	0.089
Foreign Product Judgement	0.043	0.036
Intention to Purchase Local Product	0.395	0.382

Source: data processed by Smart-PLS, 2024

The variable intention to purchase local product had the largest R2 value of 0.395, followed by the animosity variable of 0.095 and the smallest value was owned by the foreign product judgement variable of 0.043. This shows that the endogenous variable intention to purchase local product has a moderate construct variant. Nonetheless, the other two endogenous variables have weak construct variants. Table 4 gives the effect size (f2) from the exogenous variable to the endogenous variable.

Based on the existing criteria for f2, the animosity and foreign product judgement variables have a low effect size on the endogenous intention to purchase local product variables (0.004 and 0.29) while the customer ethnocentrism variable has a high effect size on the endogenous intention to purchase local product variable (0,004 reviews). The influence of exogenous variables of customer ethnocentrism on intention to purchase local products and animosity as a mediator has a low

effect size (0.106). Meanwhile, the exogenous variable of customer ethnocentrism on intention to purchase local products and foreign product judgement as mediators had a low effect size (0.045).

Table 5 Hypotheses Testing

Hypothesis	Total Effects	
	Path Coefficients	Information
H1: Customer Ethnocentrism → Animosity	0.309**	Accepted
H2: Customer Ethnocentrism → Foreign Product Judgement	-0.207	rejected
H3: Customer Ethnocentrism → Intention to Purchase Local Product	0.613**	Accepted
H4: Animosity → Intention to Purchase Local Product	0.053	rejected
H5: Foreign Product Judgement → Intention to Purchase Local Product	-0.136	rejected

Significant: ** p-value < 0.05

Table 5 shows that, of the five direct effect hypotheses, there are two hypotheses that are accepted based on the criteria of p-value (p-value < 0.05) and t-statistic > 1.96, namely H1 and H3. These results confirm that consumer ethnocentrism has a significant effect on Animosity in fashion products ($\beta = 0.309$; p-value < 0.05) until H1 is accepted. In addition, this study also confirmed that consumer ethnocentrism has a significant effect on the intention to purchase local brands in fashion products ($\beta = 0.569$; p-value < 0.05) so that H3 is accepted. However, this study also found that the three hypotheses were rejected, namely H2, H4, and H5. In the H2 test, this study failed to prove that consumer ethnocentrism has a significant effect on foreign product judgement on fashion products ($\beta = -0.207$; p-value > 0.05). This result is also in line with the test in H4 where this study failed to confirm that animosity has a significant effect on the intention to purchase local brands in fashion products ($\beta = 0.053$; p-value > 0.05). Testing the H5 hypothesis, the researcher was also unable to prove that foreign product judgement had a significant effect on

intention to purchase local brands ($\beta = 0.053$; p-value > 0.05).

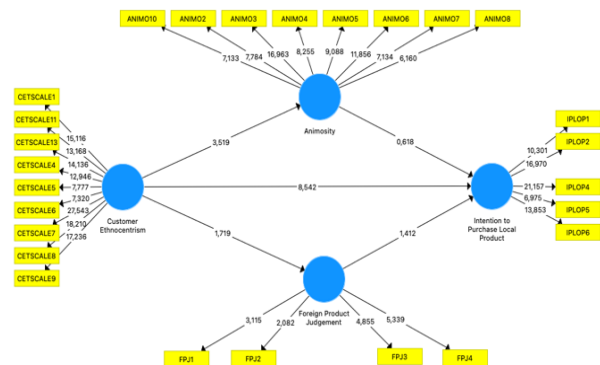


Figure 1 - Research Model and Results of Relationship between Variables

Source: Data processed by Smart-PLS, 2024

Discussion

This study succeeded in confirming the relationship between consumer ethnocentrism and animosity in local fashion products. The relationship shown is a positive relationship where this result is in line with previous research (Klein *et al.*, 1998: Shankarmahesh, 2006: Abraham, 2013). The relationship between consumer ethnocentrism and animosity is very complex and diverse, because consumer ethnocentrism represents a general preference for domestic products, animosity focuses on negative feelings towards a particular country or foreign product. The high level of consumer ethnocentrism of Indonesian consumers in domestic products can strengthen animosity (hatred) due to the historical factors of Japanese colonialism and the current political conditions of cooperation between Japan and Indonesia, so that it cannot be forgotten.

In contrast to the relationship between consumer ethnocentrism and animosity, this study is unable to prove the relationship between consumer ethnocentrism and foreign product judgement on local fashion products. This research is not in line with previous research that states that high levels of ethnocentrism tend to lead to negative perceptions of foreign products (Alam *et*

al., 2022; Kusumawardani & Yolanda, 2021). This result is quite surprising where it shows that consumers find that there is no relationship between consumer ethnocentrism of local Indonesian fashion products and foreign product judgement of Japanese fashion products. Consumer preferences for domestic products do not affect the perception of Japanese products in Indonesia.

There are several factors that can explain why consumer ethnocentrism does not always have a significant effect on foreign product judgement such as product quality, price, product availability, and consumption experience felt by Indonesian consumers for Japanese products in this modern era. Consumers may have an interest in and choose Japanese fashion products because they have better quality than domestic products. Consumer perception of products is often also influenced by strong brands. Some Japanese products also often have competitive prices or even equivalent to local fashion products.

This bias can lead to resistance to foreign brands and a preference for domestic options (Shimp & Sharma, 1987). Consumers who are very ethnocentric are more likely to buy local products and have a disadvantageous attitude towards foreign brands (Bandara & Milosava, 2012)

When viewed by definition, consumer ethnocentrism, which is the tendency of consumers to prefer local products to foreign products, has been proven to have a significant effect on the intention to purchase local brands in fashion products. These results are in line with research that confirms a positive relationship between consumer ethnocentrism in intention to purchase local brands (Netemeyer *et al.*, 1991; Han *et al.*, 1999). Consumers with high ethnocentric tendencies are more likely to perceive local brands as having more advantages and consumers continue to support the domestic industry (Kumar & Krishnan, 2002). This tendency is often driven by the belief in supporting the local economy, preserving cultural heritage, and

safeguarding national pride. Consumers who are highly ethnocentric are more likely to buy local products and have a disadvantaged attitude towards foreign brands (Bandara & Miloslava, 2012).

Logically analyzed, if consumers have more interest in local products and they have a sense of animosity in them, of course, consumers have the intention to buy local products. Interestingly, from the results of this study, the animosity relationship does not have a significant influence on the intention to purchase local brands in fashion products. These results show that it turns out that animosity is not always a determining factor in consumers' intention to make purchases on local brands. Regarding the results of this study, the desire to buy local brands is more driven by the consumer ethnocentrism factor than animosity. Although there was a period when Indonesia-Japan relations were tense, the results of this study show that animosity in general has subsided, especially when viewed from the research respondents who are mainly from the younger generation (millennials and Gen Z) tend to have a more positive view of Japan, with its music, culture, technology and anime trends.

Several previous empirical studies have stated that consumers with high animosity towards a certain country are more likely to avoid products originating from that country, regardless of other factors such as product quality or price (Heiman & Just, 2021). Huang *et al.* (2010) found the phenomenon of animosity, which in turn negatively affects consumers' intention to buy Taiwanese products by mainland China and Japan, due to the recognition of the country's independence and the problems of wars in the past.

Finally, the relationship between foreign product judgement by Indonesian consumers on Japanese brands and the intention to purchase local brands on fashion products also has no effect. This finding is not in line with previous research that reveals that the assessment of imported products can increase consumers' purchase intention

towards local products (Nguyen *et al.*, 2008; Quang *et al.*, 2017). Consumers often associate foreign products with higher quality, which can lead to different preferences than with local alternative brands (Lan & Trung, 2024). In this case, Indonesian consumers apparently do not see the assessment of Japanese foreign products as a factor that affects purchasing decisions for local products. Often, the perception of the quality of Japanese products that are considered better encourages a decrease in the desire to buy local products. Judgement of Japanese fashion products has also changed in the eyes of Indonesian consumers, many Japanese fashion brands are considered to have high quality, simple designs but look chic and in accordance with current fashion trends.

The decision to buy local products is actually driven by consumer ethnocentrism (consumer preference for domestic products) rather than animosity or foreign product judgment. Local brands can leverage their cultural identity and emotional connection to increase their appeal, potentially countering the allure of foreign products (Setiawan, 2024). The perception that local brands are more affordable or more in line with local needs can also positively affect purchase intentions (Jain, 2023). The large number of local Japanese fashion brand names in Indonesia with positive preferences makes local brands in Indonesia have to be more enthusiastic about innovation and brand development to become top of mind in their own country.

CONCLUSIONS AND IMPLICATIONS

This study succeeded in confirming the relationship between consumer ethnocentrism and animosity in local fashion products. The results found that the more consumers harbored feelings of animosity towards a particular country in this study, Japan (with a background of having colonized Indonesia), the more likely they were not to choose products from that country. However, consumer preferences for purchasing domestic products are not

influenced by the perception of foreign products. On the other hand, the decision to buy local products is also driven by consumer preferences for domestic products (consumer ethnocentrism) rather than feelings of hatred for a nation (animosity) or judgment of foreign products. In this case, consumers do not see animosity or foreign product judgement on foreign products as factors that affect purchasing decisions for local products.

This research contributes theoretically and practically, in introducing a multidisciplinary model that combines marketing, psychology and sociology with results that show that variables from different disciplines affect consumer behavior. Practically, this research provides a contribution for local MSMEs to take advantage of these findings to develop more effective marketing strategies, by understanding that local products have their own place in the minds of consumers. Consumers choose local products because of nationalist sentiments. The results of this study further open up opportunities for further research, namely by investigating other factors that may influence the purchase decision of local products, such as price, quality and availability of products.

Building the quality and trust of local brands to local consumers' needs to be done by ensuring that the products made have the same or even better quality than foreign products, the use of digital marketing today is also important. Local MSMEs can build a strong story behind the brand they create, such as telling the story of the founder, the production process and the values of the product they want to raise. Competing with foreign products is not easy even though the foreign country has a bad past with Indonesia, but with the right and consistent marketing strategy, local MSME products have a great opportunity to grow and develop.

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