



Consumer Ethnocentrism Tendency in Africa: A Literature Review

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Abstract

Many business people have concluded that Africa has lower consumer ethnocentrism tendency because of the negative attitude towards domestic products. However, such conclusions were refuted by this literature review as Africa has the highest consumer ethnocentrism tendency than both non-African developing countries and developed countries. The reviewer examined consumer ethnocentrism tendency level and variation among countries by extracting twenty countries from developed and developing countries with quota sampling technique. Based on the analysis, developing countries were found in the higher consumer ethnocentrism tendency category while developed countries were found in moderate consumer ethnocentrism tendency group. Further, the difference between developed and African countries is significant; however, the difference between developed and non-African developing countries as well as African and non-African developing countries are not significant. Africans are recommended to work hard in the marketing aspects in order to seize opportunities associated with high consumer ethnocentrism tendency which significantly affects consumers' attitude towards domestic products.

Keywords: consumer, ethnocentrism, attitude, country, origin.

1. Introduction

1.1. Background

The growth of manufacturing industry of African countries is very stagnant and its contribution to the gross national economy is very insignificant. In average, manufacturing industries contribute less than five percent to the national economy of the Sub-Saharan African countries. Further, the continent's global trade is very small with decreasing trend while other developing countries scored dramatic steady growth. Many examinations have been conducted to identify the root cause for the problem of African manufacturing industry problems. Majority of the investigations conclude that the attitude of consumers towards manufactured products from African countries contribute for the weak growth of manufacturing industry of the continent.

Consumers in developed and developing countries have ill attitude towards manufactured products from African countries. Consumers in African countries prefer products from developed and emerging economies to domestic products. Consumers in developed countries prefer domestic products to imported products or in the absence of domestic products they prefer products from other developed countries to products from developing countries particularly from Africa. Hence, the survival and growth of manufacturing industries have been threatened with lack of demand in both local and international markets.

Lack of demand in local and international markets has decreased Africa's market share in the global business and tempted the survival and growth of manufacturing industries of the continent. Because of the lack of demand for manufactured products from the continent, Africa's global market share has been decreasing. For example, Africa's manufactured product global trade share has decreased from 5.92% in 1980 to 3.42% in 2012 despite the whole developing countries manufactured products global trade share has increased from 29.65% in 1980 to 44.61% in 2012 (UNCTAD, 2013b).

Such small and decreasing market share has affected the contribution of manufacturing industry to economic growth and poverty alleviation. The continent's small and diminishing market share in global as well as local markets has menaced existence of manufacturing industry, decreased productivity, and hampered job opportunity creation. For example, Africa's manufacturing share in total value added to GDP has decreased from 13% in 1990 to 10% in 2011 (UNCTAD, 2014).

Similarly, manufacturing firms in different countries of the continent are either closed or retrenched or capacity utilization deteriorated because of diminishing market share. For example, many factories were closed and employees are laid off in West African countries (Ladipo et al., 2012, Quertey and Abor, 2011) and capacity utilization of manufacturing firms in Southern Africa countries declined from about 70% to 30% (Muuka, 1997). Similarly, Ethiopia, in Eastern Africa, has encountered a growing trade deficit (UNCTAD, 2013a, UNCTAD, 2013b), decreasing share of manufactured products export (NBE, 2013), and less than 50% utilization of installed capacity of manufacturing firms (ECSA, 2010).

Based on consumers' ill attitude towards domestic products and its impact on the manufacturing products, findings conclude that Africans have low consumer ethnocentrism tendency. However, such conclusions are against

the conceptual framework of consumer ethnocentrism and consumers' attitude towards domestic products. Cognizant to the assumption that consumers have ill attitude towards domestic products and hence low consumer ethnocentrism tendency, the manufacturing industry of the continent have been practicing wrong marketing exercises. With the assumption that consumers in the continent have low consumer ethnocentrism tendency, camouflage promotions such as "Made in UK" instead of saying "Made in Nigeria or Ethiopia". Such trend has further kept the continents' manufacturing sector short sighted and temporary benefit oriented while others are installing long-term reputation and reliability.

Consumer ethnocentrism tendency and consumers' attitude towards domestic products have been studied thoroughly in different countries and findings have been used in managerial decision making. Such studies in developed and emerging economies have been well organized and have enabled business firms to adjust marketing strategies according to the attitude of consumers and in certain circumstances consumer ethnocentrism tendency are intentionally provoked as means to protect the local business from overwhelming globalization and global competition. Similarly, studies have been conducted in Africa though they are not organized for decisions making that improve the competitiveness of the continent's manufacturing industry. The lack of organized and well reviewed research findings on consumer ethnocentrism tendency of the continent against the developed as well as other developing countries have resulted in misunderstanding of the attitude towards domestic products. Therefore, this reviewed of literature on consumer ethnocentrism tendency of African countries against other selected countries from different other continents would spark light on the consumer ethnocentrism tendency of the continent.

1.2 Statement of the Problem

African manufacturing industries have no reliable information about consumers' attitude towards domestic products and consumer ethnocentrism tendency. The existing assumption about consumers' attitude towards domestic products and the conclusions about the attitude have affected the marketing strategies of the continent. Mainly, it has been concluded that Africans have low consumer ethnocentrism tendency and hence ill attitude towards domestic products. Cognizant to the conclusions, manufacturing firms have been following wrong marketing strategies such as copying the brand of multinational companies or using cues such as "Made in UK, France, USA, Japan...etc" for their products. Such misperception of consumers' attitude towards domestic products and the ethnocentrism tendency has tempted the survival and resilient growth of the manufacturing industries of the continent. Clarifying the misperception requires critical evaluation of consumers' attitude towards domestic products and consumer ethnocentrism tendency. Thus, this literature reviews examined consumer ethnocentrism tendency of Africa countries and compared it with the tendency from other selected developing and developed economies.

1.3 Objectives of the Study

1.3.1 General Objective

The objective of this review of literature is to evaluate consumers' attitude towards domestic and foreign products in Africa. The objective mainly focuses on reviewing different literatures in order to grasp consumer ethnocentrism tendency of the continent.

1.3.2 Specific objectives of the study are:

1. To verify the confusion regarding consumer ethnocentrism tendency level of African countries
2. To compare consumer ethnocentrism tendency of African countries with other developing countries
3. To compare consumer ethnocentrism tendency of African countries with other developed countries

1.4 Research Question

1. What is consumer ethnocentrism tendency level in Africa?
2. What is the level of consumer ethnocentrism tendency in Africa compared to other developing countries?
3. What is the level of consumer ethnocentrism tendency in Africa compared to developed countries?

1.5 significance of the study

The study aimed at improving the knowledge about consumer ethnocentrism tendency in developing countries with special emphasis on Africa. Improving the knowledge about consumer ethnocentrism might help local business enterprises to device marketing strategies that improve the survival and growth of manufacturing industries of the continent. It showed consumer ethnocentrism tendency of African countries against other countries so that manufacturing firms change their marketing strategies.

1.6 Scope of the research

The study focused on consumer ethnocentrism and factors affect consumer ethnocentrism tendency in Africa. As a literature review, the study collected research findings on consumer ethnocentrism tendency since 2005.

1.7 Methodology

The study examined consumer ethnocentrism tendency level in developed countries, developing countries and

African countries in order to figure out consumer ethnocentrism tendency in Africa in comparison to other countries. Hence, a total of twenty countries were selected with quota sampling from each continent giving due caution on economic development levels of the countries. These countries are categorized into two based on the World Bank classification which uses economic status of countries: developed and developing. Further, developing countries are categorized into two: Non-African developing countries and African Developing countries. Hence, taking into account the composition of continents, there are seven developed countries, nine non-African developing countries and four African developing countries.

Keeping in mind the above mentioned quota, articles published on consumer ethnocentrism tendency are collected and reviewed. Using “Google scholar” search engine with a term “consumer ethnocentrism tendency”, a total of 168 journals were collected. Journals were screened and selected as per the quota set above with continental composition. Countries from each continent were selected based on the regional composition and the availability of literature of consumer ethnocentrism tendency of the countries. Hence, finally countries used in this literature review comprises counter from all continents with the following composition: two countries from North America, two countries from South America, four countries from Europe, two countries from Middle East and Euro-Asia, one country of Oceania, five countries from Asia, and four countries from Africa. Countries from Sub-Saharan African countries were selected to get representatives from the three corners: Western Africa, Southern Africa and Eastern Africa. Hence, Ghana and Nigeria from Western part, South Africa from Southern part, and Ethiopia from Eastern part were selected for the analysis.

However, literatures indicate that researches have been conducted with different scales in different countries. To mitigate such pitfalls, the researcher converted findings from different countries into uniform values in order to compare the values among countries and continents. Fortunately all researches have used seventeen items CETSCALE though their scale are either five or seven point likert scales. To solve the seven and five point likert scale predicament, findings in the literatures are converted into percentile. The converted percentiles are examined according to Shimp and Sharma (1987) conceptualization which shows the mean value range of consumer ethnocentrism tendency for seventeen-item with seven-point likert scale ranges from 56.62(3.33) 47.75% to 68.58(4.03) 57.57% and for seventeen-item five-point likert scale ranges from 40.59(2.37) 47.75% to 48.94(2.88) 57.57%.

As shown above, the percentile brings the two different values and ranges into one value and range. The mean value range (47.75% to 57.57%) is taken as cut point to indicate moderate consumer ethnocentrism tendency while taking values below the mean value range as low consumer ethnocentrism tendency and values above the mean value range as high consumer ethnocentrism tendency.

2. Analysis and Discussion

2.1 Growth of consumer ethnocentrism theory in International business

The emergence and growth of consumer ethnocentrism is continuation of country of origin effect on consumers' attitude towards products from different countries. Country of origin effect came into existence with the emergence of internationalization of manufactured products trade. Historically, it was started in 1887 when the English government introduced a law which forces any product imported from outside to be labeled with its country of origin with a motive to stop the flow of manufactured products from Germany (Heetkamp and Tusveld, 2011, Chang, 2003). Since then other European and non-European countries have been using country of origin cue as a criteria to import products. Nowadays countries use country of origin information for any business transactions which is close to impossible without the label “made in...”(Heetkamp and Tusveld, 2011). Further, the effect of country of origin has been examined as one of the factors that affect consumers' attitude towards a product(Chattalas et al., 2008).

The effect of country of origin issues on consumer's attitude towards domestic or foreign products started to be researched in 1960s. Dichter (1962) brought the relevance of this concept, when highlighting: “the little phrase ‘Made in ...’ can have a tremendous influence on the acceptance and success of products.”. Based on Dichter's (1962) study, Schooler (1965) conducted his experiment based research in South American countries using products with the same quality and price except the “Made in...” label. The two pioneer studies and the contemporary researches indicated that country of origin cues affect consumers attitude towards a products besides others marketing cues(Martin et al., 2011).

Consumers are sensitive for country of origin cues because it affects the cognitive, affective and normative components of attitude (Shankarmahesh, 2006, Verlegh and Steenkamp, 1999, Chattalas et al., 2008). As a cognitive process, it is a heuristic for making assumption about product quality (Shankarmahesh, 2006, Chattalas et al., 2008, Verlegh and Steenkamp, 1999). Further, Chattalas, et al (2008) indicates that national or country stereotypes represent individuals cognitive association and expectations about qualities perceived to be associated with a nation's or a country's people. As an affective process, it is a stereotype-driven attribute that connects the product to positive and/or negative emotional associations with particular nations(Verlegh and Steenkamp, 1999, Chattalas et al., 2008). Finally, as a normative process, consumers may hold socially desirable behavioral norms linked to the cues (Chattalas et al., 2008). When such norms exist regarding the correctness of purchases of products from

specific nation or domestic products, country of origin may affect purchase intentions directly, regardless of any product-related beliefs (Chattalas et al., 2008).

2.2 The effect of “Country of Origin” on Consumers’ Attitude

One of the extrinsic components of a product but equivalently as important as intrinsic components of a product is country of origin (Chattalas et al., 2008). Governments and politicians are very sensitive for country of origin cues because it has tremendous impact on the export and import as well as on the whole domestic economy. For example, in 1887s United Kingdom used country of origin information to protect its market from Germany and other European countries (Heetkamp and Tusveld, 2011). Besides the government’s sensitivity for country of origin, consumers give due attention for where the product is made before evaluating its price, size, color, structure or other marketing cues (Chattalas et al., 2008). Consumers identify where the product is made through the “made in...” label and this information serves different objectives such as quality, pride, moral, status, animosity, and ethics. Thus, country of origin affects the attitude of consumers for three different but interrelated reasons: quality, consumer ethnocentrism, and status/conspicuous consumption which are termed as “motivators” to be sensitive for country of origin.

Consumers give due attention for quality almost equivalent or more than price of the product (Zeithaml, 1988). In such circumstances consumers’ purpose is to mitigate risks associated with quality of the products. Some “made in...” labels have link with quality reputation and hence consumers rely on the “made in...” label for the quality of a single product or stereotypically for all products (Chattalas et al., 2008). In this regard, some countries have reputation for quality of some products or some nations are well known for some workmanship. For example, French is well known for its quality wine and Fashion, Italy for footwear and fashion, Switzerland for wristwatch and Germany for automotive. Thus, some products sourcing from certain countries are preferred over others for their long time reputation.

Further, the reputation for one product extends for other products coming from the same source (Chattalas et al., 2008). For example, based on the reputation of Germany for vehicles, other products produced in Germany are concluded as quality products. Such conclusions are most of the time when consumers lack other credible cues showing the quality of the product coming from other areas.

Second, social status or conspicuous consumption leads to be sensitive for country of origin particularly in African countries (John and Brady, 2010, Ranjbarian et al., 2010). When consumers think that the consumption of products from some origins give them pride or recognition by others, they prefer products from such sources in the presence of the same products other sources with lower price and higher quality. For example, consumption of imported products from developed countries is considered as well-off indicator in developing countries particularly in Africa. Sensitivity for country origin for the sake of status is moderated by the price and the type of the product (Batra et al., 2000, Sheth, 2011). However, in certain circumstances, the impact of country of origin as indicator of social status is affected by price and quality. For instance, Ranjbarian, et al (2010) indicated that consumers in Iran prefer products from China and other African countries because of its price but prefer products from developed and emerging economies like UK to be recognized as wealthy. Mainly, consumers in developing economies particularly in Africa consume imported products particularly from developed and emerging economies to display their wealth or to pretend so.

Third, consumers are sensitive to country of origin when they are concerned with domestic economy and national pride. First, regarding the domestic economy, consumers act as invisible barriers for foreign products. In such circumstances consumers pay attention for each dollar they spend on foreign products because of the belief that consumption of foreign product would drain the hard currency of the country, result in massive layoff, and retard innovation (Shimp and Sharma, 1987). When consumers feel that foreign product consumption would affect domestic economy and job opportunity of the nation, they refrain from purchase of foreign products. Such an issue is generally termed as economic ethnocentrism (Shankarmahesh, 2006). In addition, when consumers have prejudice over other countries’ values, they shun foreign product. For instance, Shankarmahesh (2006) indicated that consumers derogate foreign products for known and unknown reasons. The unknown reason is prejudice over other countries’ cultures and it is known as cultural ethnocentrism (Shankarmahesh, 2006). In similar way animosity and political issues are not uncommon as a reason for country of origin sensitivity. Consumers revenge some countries by shunning products from other countries if they had conflict and bad relation in history or bad political relation by now (Shankarmahesh, 2006).

Thus, country of origin effect significantly affects consumers’ attitude towards domestic products. In the first case, consumers are sensitive for country of origin rationally while in the second and third cases consumers are emotionally. In the first case, consumers look for quality products irrespective of other connotations while in the second and the third consumers prefer one origin to the other personal or social desires beyond the quality or price. Particularly, the third case triggers consumers to categorizing products as domestic and foreign.

2.3 Consumers’ Attitude towards Domestic Products

Consumers in developed and emerging economies prefer domestic products to foreign products even with lower quality. As mentioned above in 2.2, consumers in developed countries have confidence on the quality of

domestic products besides the consumer ethnocentrism tendency and prejudice. Further, long-term marketing and market practices, compared to developing countries, give first-mover advantage or similar opportunities to developed countries in domestic markets. Hence, it is not uncommon to see people prefer domestic products to imported products even with lower consumer ethnocentrism tendency. For example, both ethnocentric and non-ethnocentric consumers in New Zealand prefer domestic products to foreign products provided that the product is available in domestic market (Watson and Wright, 2000). Surprisingly, despite their belief in superior quality of foreign products, contrary to other findings, non-ethnocentric consumers in New Zealand prefer domestic products (Watson and Wright, 2000). Dinnie (2004) in his literature review indicated that consumers in Canada prefer domestic products to foreign products in comparison to products from twelve foreign country products.

Consumers' attitude towards domestic and foreign products has been examined thoroughly. Verlegh (2007) conducted two studies to examine the country bias in product evaluation and its relationship with consumer ethnocentrism and national identity in Netherlands and United States of America. In the first study Verlegh (2007) measured domestic biasness of Netherlands consumers in comparison to products from two neighboring countries: Germany and France. The products range from low to high involvement products: tomato, apples, CD players and Refrigerator. The study took national identity and consumer ethnocentrism as explanatory variable and willingness to buy as dependent variable while the survey covered all classes of people in the country through shopping centers in which respondents are randomly selected and contacted. The result indicates that there is domestic biasness for the four product categories and the mean preference for all product types is higher for goods made in domestic country. And the study confirmed previous studies as the relationship between consumer ethnocentrism and willingness to buy domestic products is significantly high.

The second study was conducted in USA on undergraduate students at Colorado University about the biasness towards domestic products as example the domestic and Japanese cars. Here the issues are to measure perceived quality of domestic and foreign products. The study surprisingly showed high quality perception for Japanese cars; however, consumers showed more willingness to purchase domestic cars. Further the study found that significant positive relationship between consumer ethnocentrism and quality perception of American cars and significant negative relationship between consumer ethnocentrism and perceived quality of Japanese cars.

Kumar et al (2009) examined Indian consumers' individual uniqueness and attitude toward United States products and brand specific variables (perceived quality and emotional value) on purchase intention towards US retail brands and local brands. A total of 411 University students participated in the survey on their preference for apparel products (Leaves of US and local brands). Using structural equation modeling the study found that Indian consumers need for uniqueness positively influences attitude towards American products. Attitude toward American products positively affects perceived quality and emotional value for a US brand while this effect is negative in the case of local brands. Emotional value is an important factor in influencing purchase intention towards a US brand and local brands as well.

The research finds out that Indian consumers have positively perceived U.S. products for quality and this is highly associated with the "need for uniqueness" and "emotional value"; however, these consumers prefer local brands to U.S. brands. The researchers justify the preference for local products against the high perception for quality of foreign products by indicating abundant presence of local brands with lower prices. In these regard the researchers conclude that, not the perceived quality, but the aesthetic value, price, cultural values and group affiliation determines consumers' intention to purchase.

Thelen et al (2006) examined consumers' biasness toward domestic and foreign products in Russia. From all over the country collected 438 data indicate mixed results to consumables versus durable products. Consumers prefer domestic product when the product is consumable but prefer foreign origin when the product is durable. The researchers associated the preference for domestic products in case of consumables and foreign products in case of durables with products purity or quality. According to the data, Russians believe domestic consumable products are more pure/high quality than foreign consumable products and on the contrary foreign durable products are more pure/high quality than domestic durable products. They concluded that consumer ethnocentrism has a tendency of reinforcing for consumables while contradictory for durables. However, the researchers found high consumer ethnocentrism tendency (4.6/7 with SD of 14.98).

In conclusion, consumers in developed and emerging economies, either with higher or lower consumer ethnocentrism tendency, prefer local products to imported products. Even with positive quality perception for imported products, they insist on demanding local products. However, when it comes to developing countries, the result varies according to marketing cues and social cohesion. The durability, price, availability and social cohesion either strengthen or consumers attitude towards domestic products with overall emotional link with countries/society according to consumer ethnocentrism tendency level.

2.4 Consumer Ethnocentrism

The concept "consumer ethnocentrism" was adapted from the general concept of ethnocentrism which had been introduced early in the 19th century as a technical term for the view of things in which one's own group is the center of everything and all others are scaled and rated with reference to it (Shimp and Sharma, 1987). Sumner (1906) defined the term ethnocentrism as "the view of things in which one's own group is the centre of

everything, ... each group nourishes its own pride and vanity, boasts itself superior, exalts its own divinities and looks with contempt to outsiders” (Bandara and Miloslava, 2012, Shimp and Sharma, 1987).

Following the work of Sumner (1906) other researchers used the term in different contexts and dimensions. For example, Murdock (1931) made the observation as ethnocentrism can reveal itself in all kinds of social groups, developing into family pride, sectionalism, religious prejudice, racial discrimination, and patriotism in addition to tribes and nations which were main issues in Sumner’s work (Sharma et al., 1995). Adorno, et al., (1950) discussed it in the name of “Ethnic centeredness” to show the proclivity towards culturally alike and rejection to culturally unlike (Bandara and Miloslava, 2012). LeVine and Campbell (1972) indicated the distinguishing feature of ethnocentrism, Lewis (1976) mentioned ethnocentrism as universal phenomenon and further Lynn (1976) argues that ethnocentrism is part of human nature in which it naturally exists (Shankarmahesh, 2006). Ethnocentrism, as social phenomena, is fundamentally to mean the belief of people that deem their group and cultural assets are better than others’ groups and cultural assets.

Ethnocentrism came into the consumer behavior to define the variation of consumers’ attitude towards products from different origins. Dichter (1962) and Schools (1965) work initiated many researchers to look for the underlined factors for the variation of consumers attitude towards “made-in” label. The then assumption was that consumers are sensitive for quality in which products come from other countries particularly from African countries were not reliable inequality and hence consumers prefer domestic products to foreign products (Schooler and Wildt, 1968). However, consumers disposition towards domestic products were not only for quality reasons; but also other social, psychological and economic factors were beneath it (Shimp and Sharma, 1987). Shimp and Sharma (1987) were the first to bring consumer ethnocentrism concept from general ethnocentrism and country of origin concepts (Acharya and Elliott, 2003).

Shimp and Sharma (1987) used the term consumer ethnocentrism to represent the beliefs held by consumers about the appropriateness, indeed morality, of purchasing foreign-made products. Ethnocentric individual or individuals with higher ethnocentric tendencies strongly supports the traditions, symbols, icons, and products of his or her own culture and that such a person simultaneously dislikes the traditions, symbols, icons and products of other cultures (Sharma et al., 1995). Sharma *et al.* (1995) described the concept from three dimensions as “a three-factorial phenomena”. First it can be taken as the sense of attachment to the group (country), and the fear of losing control over it, or results of harmful effects on economic interests. Second, it is an intention or willingness not to purchase non-domestic goods. Finally, it is a prejudice of an individual against imported products. Consumers with lesser ethnocentric tendencies buy products for its own merit such as quality, price, packages and other aesthetic parts of the products while ethnocentric consumers prioritize the moral issues associated with economy, unemployment, and culture (Shankarmahesh, 2006).

Fundamentally, Shimp and Sharma (1987) emphasize that consumer ethnocentrism provides individuals with a sense of identity, feelings of belongingness and an understanding of which kind of purchase behavior is deemed to be acceptable or not to the in-group. From the perspective of ethnocentric consumers, purchasing imported products is wrong because, in the minds of these ethnocentric consumers, it hurts the domestic economy, causes job losses and is plainly unpatriotic: products from other countries (i.e. out-groups) are objects of contempt to highly ethnocentric consumers (Shimp and Sharma, 1987, Shankarmahesh, 2006). To non-ethnocentric consumers, however, products from foreign countries are objects to be evaluated on their own merits without consideration for where they are manufactured (or are perhaps to be evaluated more favorably because they are manufactured outside the country under question) (Spillan and Harcar, 2012).

Hence, it has been concluded that consumer ethnocentrism tendency is an indicator of consumers’ attitude towards domestic and foreign products. Consumers with higher consumer ethnocentrism prefer domestic products to foreign products under whatever conditions. Higher ethnocentrism tendency initiates consumers to prefer domestic products to imported products even when the imported product is better than the local products in terms of price, quality, and other marketing cues. However, there is some confusion regarding consumer ethnocentrism, country of origin and consumers’ attitude.

The concept consumer ethnocentrism and country of origin have been used interchangeably by some researchers. In this regard, Shankarmahesh (2006) makes important observation that the construct of consumer ethnocentrism is often confused with Country of Origin (COO) bias. However, the two concepts are distinct and independent of each other. For example, a consumer could have a positive attitude towards foreign product for its product-class attributes which can be taken as country of origin effect; but could decide not to buy the product for nationalistic reasons which can be taken as consumer ethnocentrism tendency. Consumer ethnocentrism can therefore be regarded as a “general tendency” to avoid buying foreign products as opposed to a specific country of origin image (Shankarmahesh, 2006).

2.5 The Degree of Consumer Ethnocentrism Tendency in Africa

The difference between developed and developing countries on consumer ethnocentrism is indirectly measured from consumers’ attitude towards domestic and foreign products. Based on African’s ill attitude toward domestic products, it has been concluded that consumers in Africa have low consumer ethnocentrism tendency. However, this might be a wrong conclusion as consumers’ attitude towards domestic products can be predicted by consumer

ethnocentrism tendency but the reverse may not work. Thus, inferring consumer ethnocentrism tendency based on consumers' attitude towards domestic products is not reliable information. The reason for the argument is that consumers' attitude is determined not only by consumer ethnocentrism tendency but also, as stated above, by quality perception, status consumption and animosity in certain circumstances.

Taking into account the premises above, countries were selected in quota sampling from all continents. First, consumer ethnocentrism tendency of Africa was independently examined against the criteria developed by Shimp and Sharma (1987). Then Africa's consumer ethnocentrism tendency was compared with both developed and other non-African developing countries. Table one indicates list of countries, consumer ethnocentrism tendency level, percentile of consumer ethnocentrism tendency and the intensity of consumer ethnocentrism tendency.

	Author	Year	Place/s	CET level	%	Category	Status
1	Tsai, Lee, Song	2013	China	2.58/5	51.6	LDC	ME
2	Upadhyay and Sing	2006	India	66.69/7	56.04	LDC	ME
3	Hamin and Elliot	2006	Indonesia	74.50	62.60	LDC	HE
4	Shah and Ibrahim	2012	Malaysia	79.64	66.92	LDC	HE
5	Rafi et al	2012	Pakistan	3.29/5	65.8	LDC	HE
6	Ranjbarian Z.	2011	Iran	2.7/5	54	LD	
7	Thelen et al	2006	Russia	4.6/7	65.71	LD	HE
8	Bandara & Miloslava	2012	Czech	62.5/7	52.52	DC	ME
9	Nadiri & Tumer	2010	Cyprus	4.46	63.71	DC	HE
10	Javalji et al	2005	France	3.52/7	50.29	DC	ME
11	Barnabue et al	2013	Spain	2.46/7	35.14	DC	LE
12	Tsai, Lee, Song	2013	USA	3.14/5	62.8	DC	ME
13	Kojo	2005	Canada	2.86/7	40.86	DC	LE
14	Miranda et al	2011	Chili	3.11/5	62.24	LDC	HE
15	Strehlau	2012	Brazil	3.60/7	51.43	LD	ME
16	Josianess	2011	Australia	3.9/7	55.71	DC	ME
17	Pentiz	2012	South Afr	4.64/7	66.29	LDC	HE
18	Chendo	2012	Nigeria	3.54/5	70.8	LD	HE
19	Degefu et al	2011	Ethiopia	3.23/5	64.6	LDC	HE
20	Mensah et al	2011	Ghana	4.95/7	70.71	LDC	HE

Table one: Consumer ethnocentrism tendency of different countries

Based on the conversion and comparison of consumer ethnocentrism tendency among countries, the descriptive statistics indicates that the consumer ethnocentrism tendency ranges from 35.14 to 70.80 ($M = 58.68$, $SD = 9.51$) where the highest consumer ethnocentrism tendency was 70.80 while the lowest was 35.14 which were found in Ghana and Spain respectively.

Descriptives

Etct

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Mini	Maxi
					Lower Bound	Upper Bound		
Developed Country	7	51.5757	10.62875	4.01729	41.7458	61.4057	35.14	63.71
Non African Developing country	9	60.0378	6.01645	2.00548	55.4131	64.6624	51.43	66.92
African Developing	4	68.0500	3.21757	1.60878	62.9301	73.1699	64.40	70.80
Total	20	58.6785	9.51325	2.12723	54.2262	63.1308	35.14	70.80

Table two: Descriptive statistics

As it is indicated on table two, developing countries in general fall in the high consumer ethnocentrism tendency category (African developing countries $M = 68.05$, $SD = 3.22$ and Non-African developing countries $M = 60.04$, $SD = 6.02$) which falls above 57.57 cut point; however, developed countries score moderate consumer ethnocentrism tendency ($M = 51.58$, $SD = 10.63$) which falls between 47.75 and 57.57 range according to Shimp and Sharma (1987) theoretical model.

To examine the significance of the difference among the three categories, one way ANOVA test was introduced as indicated on the table three. Before conducting the variance test, the homogeneity test was carried out using Levene statistics. The Levens statistics test on table three indicates that the data is homogeneous.

Test of Homogeneity of Variances

Etct

Levene Statistic	df1	df2	Sig.
2.515	2	17	.110

Table three: Homogeneity test

The one way ANOVA test shows significant difference among the three categories $F(2, 17) = 6.14, P = 0.01$.

ANOVA

Etct

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	721.076	2	360.538	6.139	.010
Within Groups	998.462	17	58.733		
Total	1719.537	19			

Table four: ANOVA test result

To clearly demarcate the difference between the three categories, post-hock analysis using Tukey's HSD was introduced. The result indicates that consumer ethnocentrism tendency value of African developing countries ($M = 68.05, SD = 3.22$) was statistically significantly greater than consumer ethnocentrism tendency value of developed countries ($M = 51.58, SD = 10.63; P = 0.009$); however, the difference between Non-African developing countries ($M = 60.04, SD = 6.02$) and African developing countries is not statistically significant ($M = 68.05, SD = 3.22; P = 0.22$). Similarly, there is no statistically significant difference between non-African developing countries ($M = 60.04, SD = 6.02$) and developed countries ($M = 51.58, SD = 10.63; P = 0.102$).

Multiple Comparisons

Dependent Variable: Etct

Tukey HSD

(I) Category	(J) Category	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Developed Country	Non African Developing country	-8.46206	3.86217	.102	-18.3699	1.4458
	African Developing	-16.47429*	4.80351	.009	-28.7970	-4.1516
Non African Developing country	Developed Country	8.46206	3.86217	.102	-1.4458	18.3699
	African Developing	-8.01222	4.60534	.220	-19.8266	3.8021
African Developing	Developed Country	16.47429*	4.80351	.009	4.1516	28.7970
	Non African Developing country	8.01222	4.60534	.220	-3.8021	19.8266

*. The mean difference is significant at the 0.05 level.

Table Five: Tukey HSD Post-hock test result

3. Conclusion and Recommendation

3.1 Conclusion

The review of literature clearly indicated consumer ethnocentrism tendency among countries based on economic development classification. It indicated that concluded that the world has moderate consumer ethnocentrism tendency. Given the global consumer ethnocentrism tendency, developing countries in general have higher consumer ethnocentrism tendency than developed countries. Further the review indicated that non-African developing countries have higher consumer ethnocentrism tendency than African developing countries. However, the literature review could not show statistically significant difference between developed countries and non-African developing countries as well as African and non-African countries.

The review of literature confirms the premises given by Shimp and Sharma(1987) as people with lower income are more ethnocentric than people with higher income. This literature review upgraded the premises given by Shimp and Sharma(1987) with inference that countries in the developing economy category are with more ethnocentric than countries in the developed economy category. The examination refuted the premises that Africa has lower consumer ethnocentrism tendency; however, on the contrary, indicated that Africa has higher consumer ethnocentrism tendency compared to developed and other developing countries.

The logic behind higher consumer ethnocentrism tendency may be associated consumers socio-demographic background. The theory developed by Shimp and Sharma(1987) and summarized by Shankarmahesh (2006), indicates consumers with lower income, education and less exposed for globalization have higher consumer

ethnocentrism tendency than their counter parts. In line with the theory and the summary, developing countries in general and African countries in particular have lower income and education with less exposure to globalization might have resulted in such higher consumer ethnocentrism tendency.

However, the finding leads to some contradiction regarding the relationship between consumer ethnocentrism tendency and consumers attitude towards domestic products. Theoretically it is indicated that consumers with higher consumer ethnocentrism tendency prefer domestic products to imported products. Based on the theory and the literature review findings, developing countries in general and African countries in particular had to have positive attitude towards domestic products compared to consumers in developed countries. Nether less, against the theory and findings, developing countries in general and African countries in particular, prefer imported products to domestic products compared to consumers in developed countries.

Therefore, it leads us to infer that the relationship between consumer ethnocentrism tendency and consumers' attitude towards domestic products are moderated and moderated by other marketing cues. For example, marketing cues such as quality, price, availability, promotion and other affect the impact of consumers' attitude towards domestic and imported products. In addition, the need for social status affects the impact of consumer ethnocentrism tendency on consumers' attitude towards domestic products. For example, previous studies indicate that consumers prefer products from developed countries for status purpose while purchase products from emerging economies such as China because of price. Further, studies indicate that consumers with higher and lower consumer ethnocentrism tendency unanimously prefer domestic products to imported products. Such developed countries attitude might be associated with availability, promotion, quantity, and mother marketing practices besides lower need for status consumption which is prevalent in developing countries.

3.2 Recommendation

Despite developing countries in general and African countries in particular have been perceived as having ill attitude towards domestic products and hence low consumer ethnocentrism tendency, it is revealed that they have higher consumer ethnocentrism tendency. The presence of high consumer ethnocentrism tendency is opportunity if backed by other marketing endeavors. The presence of higher consumer ethnocentrism tendency does not guarantee positive attitude towards domestic products unless consumers get the product with affordable price and desired quality in comparison to imported products. Similarly, appropriate promotions which make the domestic products useable for status indication may solve problems associated with status consumption which triggers to purchase imported products to domestic products.

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