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AN ANALYSIS OF CONSUMER ETHNOCENTRISM AND ITS SOURCES AND EFFECTS IN MACEDONIA

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INTRODUCTION

The changing nature of the world and the increased pace of globalization has made a significant impact on people's lives. People as consumers are confronted with many different stimuli, strategies and products, which are differently perceived by each individual. In the field of consumption and consumers' attitudes and behavior, a lot of factors come into question when marketers decide which strategy to use in order to attract consumers and increase profits.

Culture can be a powerful influencer in peoples' lives. Therefore, as a direct consequence of it and of the customers' identification with their social in-group, consumer ethnocentrism emerged and it was the basis for conducting many researches which helped companies and marketers take advantage of the different possibilities throughout the world.

Consumer ethnocentrism refers to the belief of superiority of the products originating from one's own country and it is connected with the belief about the appropriateness and justification of purchasing foreign made products, having in mind the domestic economy and the patriotism of consumers. As a form of economic patriotism, consumer ethnocentrism is a predisposition for national products and an inclination for creating negative judgments for foreign ones, based on the differences between domestic and foreign cultures.

Many researchers have demonstrated the direct positive relationship between consumer ethnocentrism and the inclination for domestic products, and its dependence on the characteristics of the consumer group in question, the products concerned and the national setting researched. Therefore, the purpose of the present study is directed towards explaining the concept of consumer ethnocentrism and its relation to the purchase behavior of consumers in Macedonia, as well as its variability on the basis of consumers' socio-demographic characteristics and product judgments.

Despite that consumer ethnocentrism is very important in a world of globalization and market liberalization it still hasn't received the deserved attention in the transitional economies. While the developed and developing countries have many studies examining the effects of consumer ethnocentrism on the consumption of domestic and foreign products, these studies in the transitional economies are rarely conducted. There is no study reporting on the relationship between consumer ethnocentrism and the purchase of products in Macedonia. The present study will be the first study of this character in Macedonia and will not only contribute the marketers there, but will also make a contribution to the existing literature on consumer ethnocentrism in the transitional economies.

The thesis examines and measures the level of consumer ethnocentrism in Macedonia and its effects on the purchase of two product categories (tourism and apparel (clothing)) from four countries of origin (Macedonia, Greece and Turkey for tourism; Macedonia, Greece and China for clothing). The research generally answers five different questions:

1. What is the level of consumer ethnocentrism in Macedonia?
2. Does consumer ethnocentrism among Macedonians vary depending on their socio-demographic characteristics?
3. Whether consumer ethnocentrism among Macedonians impacts the purchase of tourism and clothing products from different countries of origin.
4. Are the product quality judgments of Macedonians impacted by their consumer ethnocentrism? and
5. Does consumer ethnocentrism impact the actual purchase behavior of Macedonians?

The study is based on two types of information, secondary and primary data. The secondary data are obtained from the existing literature in the field of consumer ethnocentrism, while the primary data are collected with conducting a questionnaire on the field. The secondary data or the previous findings in this field are summarized and compared in order to provide basis for the collection of the primary data and their statistical analysis.

The thesis is structured in four different sections. The first section or chapter deals with the literature review, focusing on the concept of consumer ethnocentrism, its origins, its antecedents and the CETSCALE, as a measurement scale for consumers' ethnocentric attitudes. The relationship between consumers' socio-demographic characteristics and their consumer ethnocentrism is also outlined using the various studies in this area, just like the purchase behaviour of domestic versus foreign products is correlated with the level of consumer ethnocentrism. Other important aspects researched in this section are the concept of country-of-origin (hereinafter COO) and the concept of perceived quality, as well as their relationship.

The second chapter is dedicated to the empirical study of consumer ethnocentrism in Macedonia. This is a part of the thesis where the conceptual model of the study is presented, the basic hypotheses are outlined and the research methodology is explained.

The third chapter deals with the statistical analysis of the data, as well as with the actual hypotheses testing.

The last part (fourth chapter) of the thesis explains all the relevant information and findings and their implications for the marketing managers. Finally, the limitations and the caveats of this study are clearly presented and explained, forming a conclusion to the elaborated research problem.

1 LITERATURE REVIEW

1.1 The concept of Country-of-Origin (COO)

The origin of the product is a relevant factor when consumers form consumption preferences and choose a final product (Dmitrovic & Vida, 2010). Therefore it is not a surprise that the research in the field of COO started to gain popularity when researchers noticed the impact that the country of manufacture could have on customers' opinion about products (Licsandru, Szamosi & Papadopoulos, 2013). It is widely accepted that COO is a very important term in the marketing literature and is more that relevant when researching consumer ethnocentrism, since the two are closely connected. There are many studies that support the relationship between COO and consumer ethnocentrism and claim that COO has a direct influence on consumer ethnocentrism. Thus, this concept will be tackled at the beginning of this paper.

Another reason in favour of this argument is that consumer ethnocentrism has often been confused with COO. It is important to stress that these are entirely different and independent terms, mainly because consumer ethnocentrism reflects the general tendency against buying foreign products despite the foreign country image. COO is reflected in the cognitive and affective aspects of decision making, and consumer ethnocentrism is reflected in the normative aspects of buyer behaviour, affective responses towards one's own country, and normative pressures for buying domestic products (Shankarmahesh, 2006). The next few pages focus on defining the concept of COO, its determinants, its effects on consumers and their decisions.

1.1.1   Defining Country-of-Origin (COO)

Country-of-Origin (COO), widely known as "made in", can be defined as a positive or negative influence a country of manufacture of a certain product has on consumers' purchase decision (Elliot & Cameron, 1994, p.60). COO is an extrinsic information cue which is used by consumers when they have little knowledge about a foreign made product (Elliot & Cameron, 1994). It depends on the subjective perceptions of consumers about the products and it is based on certain beliefs, ideas and impressions before making the purchase decision (Saydan, 2013, p.79). The concept of COO builds on the notion that people hold some predetermined beliefs about products coming from different countries (Balabanis, Mueller & Melewar, 2002; Elliot & Cameron, 1994).

COO is used on a symbolic, associative level by consumers, since it sends signals about the quality of products. If positive, it has the power to influence and create a positive image of the products originating from the country in question (Balabanis et. al, 2002, p.584). It is also known as Product Country Image (PCI), or the image that the country of origin reflects on the products produced there (Licsandru et al., 2013, p.260).

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Nagashima (*A Comparison of Japanese and U.S. Attitudes Toward Foreign Products*, 1970, p.68) was the first author that in 1970 defined COO as "the picture, the reputation, and the stereotype that businessmen and consumers attach to products or brands of a specific country." According to him "this image is created by such variables as representative products, national characteristics, economic and political background, history, and traditions" (Balabanis et. al, *The human values lenses of country of origin images*, 2002, p.585). In his subsequent studies Nagashima (1970) identified five aspects of COO: price and value, service and engineering, advertising and reputation, design and style, and consumers' profile (Balabanis et. al 2002). Additionally, Urbonavicius, Dikcius & Navickaite, (2011, p.214) defined COO as a three-dimensional concept. They state that it is a combination of cognitive, affective and conative elements. The cognitive elements encompass a country's image attributes (socio-economic, cultural and political), perceived and understood by the consumer at an intellectual level. The affective components consider the feelings of consumers directed to a specific country (patriotism, ethnocentrism or racism), while the conative elements refer to the norms and social rules (Licsandru et al., 2013, p.261). The cognitive elements can be supplemented and defined differently, as a person's internally stored beliefs, and as a sum of production and marketing-related cognitions about a country, activated by the made-in label. The affective components are a sum of positive and negative feelings towards a country and its products, while the conative elements are reflected in the person's behavioural intentions and tendencies for approaching or avoiding a particular country and its products (Brijs, 2006).

To sum up, COO influences the way people perceive products from other countries and has a great influence on the quality perception and the actual purchase of products originating from different countries.

1.1.2 The effects of COO on consumers

COO has significant influence on consumers, including the way they evaluate products from foreign countries, especially when choosing among similar products coming from different countries. The magnitude of effects of COO depends on consumers' knowledge about the country of origin, as that affects consumers' brand perceptions and choices, and ultimately the marketing strategies. Although it is undisputable that COO impacts consumers' product evaluation and product buying decisions (Rahman, Hussain, Hussain & Khan, 2013; Yim, Garma and Polonsky, 2007), there are many other factors that can moderate that impact, the most important being: awareness of COO, knowledge and familiarity with the products, product category, risk perceptions and consumer ethnocentric tendencies (Usunier & Lee, 2009, p.264).

In an era of globalization and market integration, many multinational firms sell products under the same brand all over the world. These products may have many different COOs, which make the COO information inconclusive, leaving consumers less informed about the origin of the product. Furthermore, there is an impression that assessing where their purchase comes

from is no longer important. However, when consumers do not know or are not motivated to get informed about a product category, COO becomes much more influential and important for product evaluation and purchase (Usunier & Lee, 2009, p.264). When consumers are not familiar with the country's products, the image of that country can be used as a cue from which the product attributes of the brand are deduced and will indirectly affect product assessment and evaluation (Pentz, 2011).

Product knowledge is represented by the memories and knowledge of consumers, related to certain products and the recognition and confidence in those products (Rezvani, Dehkordi, Rahman, Fouladivanda, Habibi & Eghtebasi, 2012, p.209). When consumers have sufficient knowledge and are informed about the product, its price and warranty information, the COO cue is less important and has a lower influence in the evaluations of the given product coming from a specific country (Pentz, 2011; Usunier & Lee, 2009, p.261). If regarded as low-knowledge and high-knowledge consumers, it is important to understand that low-knowledge consumers are strongly influenced by their COO perceptions when evaluating foreign products, as opposed to high knowledge consumers (Moon & Hee, 2004, p.667). In line with this, a study conducted by Phau & Suntornnond (2006), suggested that only consumers with medium levels of knowledge rely on the COO cue when evaluating unfamiliar brands, and the consumers with high levels of knowledge do not rely on the COO cue (Pentz, 2011). This means that knowledgeable consumers tend to use COO in a conditional manner, while the less informed group of consumers uses it in a general sense (Abedniya & Zaeim, 2011).

When it comes to the type of products, research shows that the relative effect of COO on intentions to purchase is stronger for industrial products, as opposed to consumer products (Cheron & Propeck, 1997). However, COO has a stronger influence in the early stages of the decision-making process and not on the final choice. The effect of COO is stronger when it comes to the perceptions of brand quality, as opposed to the attitude toward the product or purchase intention. This means that as consumers move closer to a product choice, COO's impact is much lower (Usunier & Lee, 2009, p. 261).

The effects of COO are very complex and often the decision to buy or avoid a country's products is in line with the acceptance and non-acceptance of that country's policies and practices (Verlegh, 2001). It is widely believed that consumers negatively evaluate the goods from the developing countries. COO has either positive or negative impact on consumer evaluation and choice, depending on the effect that the country of manufacture has on the perception of the buyer (Rezvani et al., 2012).

Relative to other product attributes (like quality and price) and external cues, COO information is of low importance (Elliot & Cameron, 1994; Kabadayi & Lerman, 2011). This implies that the effects of COO on the evaluation of products is only one fraction of data, among the amount of information taken into account by consumers when they evaluate and choose a product (Cheron & Propeck, 1997). However, the effect of COO is generally considered a

potentially important influencer on consumers' purchase decision-making and on choosing a final product (Elliot & Cameron, 1994).

A particularly important and significant factor that influences the consumers' COO awareness and knowledge is the level of consumer ethnocentrism. Namely, high levels of consumer ethnocentrism lead to less knowledge of brand origins, and thus lower consumers' COO knowledge (Parts & Vida, 2011). In a situation when there are high levels of consumer ethnocentrism, consumers are less likely to rely upon the COO cue when evaluating and purchasing foreign products. This is mostly true since when COO and consumer ethnocentrism are examined simultaneously, consumers' ethnocentrism is likely to compensate for the impact of COO (Moon & Hee, 2004). Thus, consumer ethnocentrism does have an effect and holds significant implications on the COO perceptions.

1.2 The concept of consumer ethnocentrism

1.2.1   Consumer ethnocentrism defined

The **ethnocentrism** as a general concept was introduced by William Graham Sumner (1906) and it was defined as:. . ."the view of things in which one's own group is the centre of everything, and all others are scaled and rated with reference to it. . . Each group nourishes its own pride and vanity, boasts itself superior, exalts its own divinities and looks with contempt on outsiders" (Bandyopadhyay & Muhammad, *Consumer ethnocentrism in South Asia*, 1999, p.2).

At the time of its introduction ethnocentrism was a sociological concept, distinguishing between those people who consider themselves as an in-group and those who are seen as out-groups. Later it became a psychosocial concept concerned with personality, cultural and social frameworks, resulting in the inclination of people to think of themselves and their group as the center of the universe (Sharma & Shimp, 1987, p.280). It can also be seen as an inclination of comparing and judging other cultures by the norms, values and customs of one's own culture (Singh & Upadhyay, 2006). Ethnocentrism can be a factor that can keep people from comprehending and valuating other cultures. It separates culture from culture and affects the way people look at each other (Chun-yan, 2008). Extended to the level of the individual, ethnocentrism is related to the "natural tendency of people to refer themselves spontaneously to the symbols, values and ways of thinking of their own ethnic or national group (their in-group)" (Usunier & Lee, *Marketing across cultures*, 2009, p. 357).

The effects of ethnocentrism on the culture are reflected in the individuals' view of the world and other groups from the perspective of their own group. This leads to inability of understanding other cultures, prejudice, nationalism, racism and discrimination. That is why ethnocentric behaviour is criticized in the era of globalization (Cooper, 2012).

Ethnocentrism is regarded as a function that creates a bond between the members of the same group, and a function that can lead to dominance of a particular group and disrespect for other groups of people, with different manners of life (Nadiri & Tumer, 2010). Therefore it cannot be regarded as a single independent variable, as it encloses different attitudes at individual and mass level (Lanternari, 1980).

The term ethnocentrism has been initiated in the marketing field through the field of sociology, to represent the in-group or the out-group orientation of people (Parts & Vida, 2011). Its role, as a significant factor in marketing was further boosted by globalization and the **consumer ethnocentrism** resulted as an adaptation (Caruana, 2005, Jacoby, 1978 and Shimp, 1984 in Nadiri & Tumer, 2010; Sharma & Shimp, 1987). It is broadly defined as the belief of consumers that the products originating from their own country are superior to any other products (Shimp, 1984, p.285). Therefore, from a managerial perspective, ethnocentrism is related to consumer's preference for domestic products and discrimination for imported products (Yelkur, Chakrabarty & Bandyopadhyay, 2006). Consumer ethnocentrism has the same premises and properties as the general ethnocentrism, but it is specifically related to the economic domain (Balabanis & Diamantopoulos, 2004).

Sharma & Shimp (1987) use the term **consumer ethnocentrism** to express the beliefs about the appropriateness and justification of purchasing foreign made products. They define ethnocentric consumers as those who consider the purchase of foreign made products a wrong thing which leads to losses of jobs, hurts the economy and above all is unpatriotic. Highly ethnocentric consumers are unwilling to purchase foreign made products, considering that behavior not only as an economic problem, but also as a big moral problem (Bandyopadhyay & Muhammad, 1999; Solomon, Bamossy, Askegaar & Hogg, 2006). The non-ethnocentric consumers, on the other hand, are likely to evaluate foreign made products regardless of where they are made. Sharma & Shimp (1987) additionally stress that the term ethnocentrism is an important factor for purchase behavior, since it gives the individual a sense of identity and indicates which purchase behavior is acceptable and which is not. According to them consumer ethnocentrism has big marketing implications and is more than relevant for the study of consumer behavior (Shankarmahesh, 2006).

Consumer ethnocentrism is a form of economic patriotism in the sphere of consumption and it represents predisposition for national products (Matysek, 2010). It is an integral part and an important component of a construct that is related to the cognitive, affective and normative orientations of consumers, towards foreign made products (Shimp, 1984). It is concerned with identifying the beliefs that purchasing foreign products is harmful to the economy and the whole country (Garcia, Martinez & Zapata, 1998).

Consumer ethnocentrism is likely to be found only in situations where a domestic alternative of a foreign product is available (Singh & Upadhyay, 2006). It occurs when people are negatively

judged based on the differences between domestic and foreign cultures, and when the home nation is considered superior to any other nation (Chun-yan, 2008).

Sharma & Shimp defined the properties of consumer ethnocentrism in 1987 as follows (Shankarmahesh, 2006, p.148):

1. A general tendency, not a specific attitude;
2. A result of concern for one's own culture and country and the harmful effects of the imports;
3. A construct with an ethical dimension that buying imported products is highly unpatriotic and causes unemployment;
4. A construct assumed to be socialized during early childhood;
5. A construct considered to be an aggregation of individual tendencies and
6. A reflection to all goods (consumer or industrial).

Consumer ethnocentrism as a concept is related to the origin of a product and it can be understood as a connection between the social and moral norms and the behaviour of consumers (Jimenes & San Martin, 2010). It is a very important concept in the international marketing, which is why it has been widely researched in the literature throughout the years.

1.2.2 Antecedents of consumer ethnocentrism

With the development of the world and the societies, people faced many different situations that shaped them not only as individuals, but also as consumers and formed their consumption habits and preferences. In this process, a number of antecedents emerged and were established as the driving forces of the ethnocentric behaviour while purchasing and of consumer ethnocentrism.

Previous investigations in the field of ethnocentrism show that, consumer ethnocentrism originated as a result of different factors, which can be personal or situational (Abad, Castillo & Taulet, 2005). The literature identifies four broad categories of antecedents: socio-psychological, economic, political and demographic (Shankarmahesh, 2006). The most interesting and relevant for the present research are the group of socio-psychological and demographic antecedents, which is why they are explained and examined next.

1.2.2.1 Socio-psychological antecedents of consumer ethnocentrism

The group of socio-psychological antecedents of consumer ethnocentrism encompasses (Shankarmahesh, 2006, p.149): cultural openness, world mindedness, patriotism, conservatism, collectivism / individualism, materialism and dogmatism.

Openness was originally conceived as a psychological concept and it is reflected in the openness to experience, appreciation of the art and beauty, originality and complexity of an individual's life (Roose, van Eijck, & Lievens, 2012, p.4). In culture, openness is reflected in the indiscrimination, openness to diversity and the reverse of the rigidity, as it encourages intellectual and individual cultural participation, interest and motivation for learning and adapting to changes (Roose et al., 2012). Cultural openness depends on the desire of people to interact with other people from other countries and explore their norms and values (Shankarmahesh, 2006).

There are several studies which portray a negative correlation between cultural openness and consumer ethnocentrism (Abad, et al., 2005; Jain & Jain, 2013; Kreckova, Odehnalova & Reardon, 2012; Matysek, 2010; Shankarmahesh, 2006). A research conducted among the Jordanian consumers shows that people are highly ethnocentric if they are not culturally open, don't travel a lot and don't have a desire to purchase foreign made products (Albarq & Mat, 2007). There is also a negative relationship between cultural openness and consumer ethnocentrism among the South African (Pentz, 2011) and the Malaysian consumers (Kamaruddin, Mokhlis & Othman, 2002). This negative correlation occurs mostly because of the opportunities given to culturally open consumers to interact with different people, which on the other hand lowers the prejudice towards their cultures (Vassella, Fountain & Fountain, 2010). Kennett & Neely (n.d.) point out that, travel and cultural experience, as well as interest and awareness, decrease consumer ethnocentrism.

World mindedness refers to person that possesses multinational attitudes towards the political and the economic aspects and has a network of contacts outside its home society, exposes him/herself to other ideas and does not have a prejudice towards other countries or cultures (Friese, 2000, p.2). World mindedness and openness to culture are not the same concepts, since openness to culture leads to willingness of people to interact with cultures other than their own, and world mindedness points out to the "world view to the problems of humanity" (Sampson & Smith, 1957; Skinner, 1998 in Shankarmahesh, 2006, p.149). For the world minded person, the most influential reference group is mankind and not their nation (or any other nation) (Al Ganideh, El Refae & Al Omari, 2012). These people are concerned with the effects that their decisions have on all the people around the world and they care how others perceive their nation and empathy with different people around the world (Marryfield, Lo, Po & Kasai, 2008). World minded people are defined as consumers that respect different cultures, are interested in different consumption habits, international events and travel and are willing to try brands originating in different cultures (Algharabat & Zamil, 2013).

It is generally believed that world mindedness leads to lower consumer ethnocentric tendencies (Al Ganideh, et al., 2012). However, there are also studies that point out that there is no significant relationship between the two, meaning that world mindedness is not an influential antecedent of consumer ethnocentrism (Shankarmahesh, 2006; Al Ganideh, et al., 2012). The

differing results across nations and cultures show that world mindedness is not necessarily an antecedent of consumer ethnocentrism.

Patriotism, generally represents love, pride and commitment to one's own country, as well as devotion and loyalty to the group to which one belongs (Fritsch, 2008). Patriots are committed to the country and to their group, but do not necessarily idealize them, and they are not hostile towards other countries or nations (Fritsch, 2008, p.30). In the field of consumer behaviour, patriotic consumers believe that their purchase and favouritism of domestic products, acknowledges their loyalty and has a positive impact on the whole country (Rybina, Reardon & Humphrey, 2010). Patriotic consumers regard consumption as a duty to the home country, its economy and domestic producers and they strive to prevent the entry of foreign products in their home country (Balabanis, Diamantopoulos, Mueller & Melewar, 2001).

Consumer ethnocentrism is identified as a consequence of patriotism, although the link between the two is the altruism, reflected in the concern of consumers about the moral implications of their purchase decisions on the home country (Siamagka, 2009). It is believed that patriotism leads to preference of domestic products, which on the other hand leads to protecting the domestic economy (Fritsch, 2008). Sharma & Shimp (1987) as well as Siamagka (2009), confirm that patriotism is an antecedent of consumer ethnocentrism (Fritsch, 2008; Albarq & Mat, 2007). The same was done by Rybina, et al. (2010) and by Pentz (2011), who demonstrated that patriotism is an antecedent of consumer ethnocentrism among the consumers in Kazakhstan and South Africa.

Although the previously mentioned studies lead to support of the proposition that patriotism is an antecedent of consumer ethnocentrism, there are also a number of studies that do not support nor regard this relationship as significant. In line with this Albarq & Mat (2007), in a study among Jordanian consumers, demonstrate that there is no significant relationship and do not consider patriotism as an antecedent of consumer ethnocentrism. The same was found among Denmark's consumers (Fritsch, 2008). In 2001 Balabanis et al., conducted a study among Czech and Turkish consumer, only to find out that for the Turkish sample patriotism is a significant antecedent of consumer ethnocentrism, which was not the case with the Czech sample. Thus, they claim that patriotism has no consistent influence on consumer ethnocentrism and that its effects are not universal and differ among different countries and cultural settings.

Conservatism makes people believe in tradition, human imperfection, independence, hierarchy and authority and property (Heywood, 2003). Conservative persons are people devoted to the tradition and the social norms in the society that have been established and survived from the past and they are unwilling to accept changes (Sharma et al., 1995, p.28 in Shankarmahesh, 2006).

A number of studies, one of which is the one among Malaysian consumers conducted by Kamaruddin et al. (2002), demonstrate that as conservatism level increases so does the consumer ethnocentrism level (Shankarmahesh, 2006; Siamagka, 2009). Albarq & Mat (2007) on the other hand, demonstrate exactly the opposite by proving that conservatism is not a significant antecedent of consumer ethnocentrism for Jordanian consumers. However, they justify this by the proposition that Jordanian's consumers as Muslims put the religion on first place, regardless of their level of ethnocentrism.

The term collectivism is closely linked to the traditional culture (Usunier & Lee, 2005, p.55). In the countries where people are collectivists there is a clearly defined social structure and people make clear distinction between the in-groups and the out-groups, seeing the group as the only resource (Usunier & Lee, 2005, p.51 & p.503). Collectivistic people are not separable from the group, value reality and are very loyal (Usunier & Lee, 2005, p.200), which gives them certain protection (Farhangmehr, Shoham & Soares, 2007). The term individualism on the other hand, is a component of modern culture and implies that the individual is the basic resource (Usunier & Lee, 2005, p. 51 & p.55). For the individualists the personal accomplishment, freedom and achievement are the most important (Gorodnichenko & Roland, n.d.).

Many studies in the field of marketing demonstrate that collectivism/individualism affects consumer behaviour. Collectivistic consumers are concerned with the meaning of the purchase or the status that the products represent for them and prefer to buy products that symbolize link to the culture and similarity to their group. On the other hand, individualistic consumers would buy a product whose performance is the best and a product that is functional (Nayeem, 2012).

Considering what has been previously elaborated, it is expected that there is a relationship between collectivism and consumer ethnocentrism. The assumption is that collectivism is positively related to consumer ethnocentrism. The same was proposed by Sharma (1995) and in a number of other studies conducted in that field (Shankarmahesh, 2006; Matysek, 2010; Siamagka, 2009). However, not all studies find a significant positive link between the two constructs Albarq & Mat (2007), report that there is no significant relationship between Jordanians' collectivism and their consumer ethnocentrism. Kamaruddin et al. (2002) also demonstrate that collectivistic Malaysian consumers do not display intensive ethnocentric tendencies, which means that collectivism is not necessarily an antecedent of consumer ethnocentrism and its impact may differ among different countries or cultures.

Materialism is characterized and described by the importance that people put on worldly possessions. Materialists value products that give them status are expensive and consumed in public, while non-materialists like products that connect them to others and products that they really like (Solomon et. al 2006, p. 125). Cleveland, Laroche & Papadopoulos (2009) state that material values are spread over the areas of importance of possessions, happiness and satisfaction from possessions and the use of possessions for success.

Reviewing the antecedents of consumer ethnocentrism, Shankarmahesh (2006) found support for the claim that there is a positive relationship between materialism and consumer ethnocentrism. However, there are also studies that examine and postulate this relationship as a negative one. One of them was conducted by Kamaruddin et al. (2002) and the relationship was examined through a hypothesis of negative correlation between the two constructs. However, the collected results rejected the hypothesis and demonstrated no presence of a negative relationship between consumer ethnocentrism and materialism among Malaysian consumers. Cleveland, et al. (2009) on the other side, proposed a model in which there is no significant relationship between materialism and consumer ethnocentrism. This model was tested on the basis of the results of over 2000 respondents from eight different countries (Canada, Mexico, Chile, Sweden, Greece, Hungary, India and South Korea) and the hypothesis was confirmed in most of the situations, except for the Greek and Chilean respondents. Not-significant relationship between materialism and consumer ethnocentrism was also found in a study conducted among South African students (Bevan-Dye, Garnett, & De Klerk, 2011). Therefore, materialism is also not necessarily an antecedent of consumer ethnocentrism and their relationship depends on the country in question.

Dogmatism as defined by Rokeach (1954, p.22) is connected with the perceptions of the reality and the belief in one absolute authority, which determine the tolerance levels towards others. It is often associated with resistance to change, but it is distinguished from rigidity as it is relevant for person-to-person communication (Rokeach, 1954, p.6). Rokeach (1954) states that, dogmatism does not necessarily lead to consumer ethnocentrism and ethnic intolerance. However, in the review of consumer's ethnocentrism antecedents Shankarmahesh (2006) found that more dogmatic consumers are less prone to foreign products than less dogmatic consumers. The proposition that people with high level of dogmatism show high ethnocentric tendencies was also demonstrated in a study conducted among Jordanian consumers (Al Ganideh, et al., 2012). Additionally, Carruana & Magri (1996) tested the same proposition on a sample of respondents from Malta and proved that high level of dogmatism leads to high level of consumer ethnocentrism.

1.2.2.2 Demographic antecedents of consumer ethnocentrism

Consumers' socio-demographic characteristics are identified as one of the most important groups of antecedents of consumer ethnocentrism. It is believed that based on their unique characteristics different consumers exhibit different levels of consumer ethnocentrism, which reflects on their purchase decisions and behaviour. This section reviews the effects of age, gender, education, income and region of residence on the level of consumer ethnocentrism. It also outlines the most important studies across the countries through the years, which helps in the process of generating one universal conclusion.

Although age is considered as the strongest demographic antecedent of consumer ethnocentrism (Cleveland, et al., 2009), there are differing results when it comes to the relationship between the two. Shankarmahesh (2006) argues that there is a positive relationship between the two constructs mainly because of the increased cosmopolitanism and changed socio-cultural beliefs of younger consumers. That can also be attributed to the homogenization triggers of younger generations (Siamagka, 2009). Older consumers are considered more patriotic and conservative which reflects the higher level of ethnocentrism in their choices (Matysek, 2010). Pentz (2011) claims that there is more empirical evidence that older people are more ethnocentric that younger ones and in his study he presents a number of international studies that support that relationship. He came up with a general conclusion that age is positively related to consumer ethnocentric tendencies and tested that hypothesis on a sample of South African respondents, demonstrating the validity of that proposition and proving that older consumers are more ethnocentric than younger ones. Josiassen, Assaf & Karpen (2010) examined the same hypothesis and showed that older consumers in Australia are more ethnocentric than younger ones, as was the case in New Zealand (Watson & Wright, 2000). In a recent study conducted among Malaysian consumers, Shah & Ibrahim (2012) also indicate that age has a positive influence on consumer ethnocentrism. Similarly, consumers from North Cyprus do show differences in the level of ethnocentrism based on their age, although there are some variations among the younger groups (Nadiri & Tumer, 2010).

Despite all of the above mentioned, the relationship between age and consumer ethnocentrism is not always positive or even significant. That is the case in India and Bangladesh, where there is no presence of a significant relationship between age and consumer ethnocentrism (Bandyopadhyay & Muhammad, 1999). Another study in India confirmed the same result, showing that management professionals, university students and secondary school students which belong to the same age group, do not differ significantly in their consumer ethnocentrism level (Bawa, 2004). A similar outcome was derived from a research in Russia (Imbert et. al, 2003).

The differing results and the extensive literature on the relationship between age and consumer ethnocentrism, lead to a conclusion that it is a relationship worth examining in every country.

Gender may be a determinant and predictor of consumer ethnocentrism. Women are often considered to have more ethnocentric attitudes than men, which can be due to the fact that they have higher level of patriotism and strive to preserve harmony and positive attitude in the society (Bawa, 2004; Klien & Ettenson, 1999; Matysek, 2010). They are also more conservative, conformist and collectivistic (Shankarmahesh, 2006). The fact that women are more ethnocentric than men was supported in a number of studies conducted among Malaysian, American, New Zealand and Indian consumers (Bandyopadhyay & Muhammad, 1999; Klien & Ettenson, 1999; Shah & Ibrahim, 2012).

Although many studies prove that females are more ethnocentric than males, there are also studies which show exactly the opposite. That is the case with the Mauritian males which showed more ethnocentric tendencies than their female compatriots (Ramsaran-Fowdar, 2010). There is also plenty of evidence about the non-existence of a significant relationship between consumer ethnocentrism and gender, one of which is the study of Bandyopadhyay & Muhammad (1999) among male and female consumers in Bangladesh. Similarly, male and female consumers from Austria, Malta, North Cyprus and Australia do not show different ethnocentric tendencies (Carruana & Magri, 1996; Josiassen et al., 2010; Nadiri & Tumer, 2010), which means that the level of consumer ethnocentrism in not related to their gender.

The theoretical background and empirical research in the field show no consistent results regarding the relationship between gender and consumer ethnocentrism, across nations. Based on the differing results it is understood that there is no general conclusion that females exhibit more ethnocentric tendencies than males, nor that gender and ethnocentrism are not related.

Education makes people open-minded, it induces them to start thinking about other contexts and helps them to realize the interrelationships among people, economies, trade and political issues around the world (Friese, 2000). Higher educated people are more likely to interact with people from different countries and nations and they have more opportunities to travel or work internationally (Friese, 2000). It is believed that higher educated people show less ethnocentric prejudice and exhibit less ethnocentric attitudes. Shimp (1984) characterized ethnocentrics as people with lower educational achievements than non-ethnocentrics. That was indeed demonstrated in a number of studies where the results from the relationship between people's education and consumer ethnocentrism are almost consistent (Shankarmahesh, 2006). In line with this, Watson & Wright (2000) defined ethnocentric consumers in New Zealand as older females with lower level of education. Less educated Malaysian consumers also exhibit higher level of ethnocentrism (Shah & Ibrahim, 2012) as do the consumers in Taiwan, meaning that higher education levels lead to lower consumer ethnocentrism (Huang, Phau & Lin, 2010). More educated Czech consumers are more culturally open, which on the other hand signifies that they are less ethnocentric, considering the previously mentioned results from the relationship between consumer ethnocentrism and cultural openness (Wanninayake & Chovancova, 2012). The proposition that more educated consumers are less ethnocentric is supported by many studies conducted among Danish students, consumers from Malta, Mexico, Chile, Canada, Sweden, Greece, Hungary, India, South Korea and the US (Bawa, 2004; Carruana & Magri, 1996; Cleveland, et al., 2009; Fritsch, 2008; Klien & Ettenson, 1999). Siamagka (*Extending consumer ethnocentrism: development and validation of the CETSCALE*, 2009, p.92) states that "the logic behind this is that as individuals move to more advanced educational levels, they become more acquainted with foreign cultures and therefore more receptive towards foreign products". Another reason can be found in the inverse relationship between world mindedness and consumer ethnocentrism, as non-world minded people are those who are less educated and come from working class background, as opposed to world minded people (Friese, 2000).

The literature background found only a limited number of studies that show no connection between consumer ethnocentrism and the level of education, or at least no consistent relationship between them. That was the case with consumers in Bangladesh, South Africa, Poland and North Cyprus. (Bandyopadhyay & Muhammad, 1999; Nadiri & Tumer, 2010; Pentz, 2011; Nowak, 2011).

According to the findings, income can be considered as a demographic antecedent of consumer ethnocentrism, which shows the most inconsistent results across countries and nations (Siamagka, 2009). Many studies point out to the negative relationship between income and consumer ethnocentrism, as people with higher income are considered more prone to buying imported products and traveling abroad, which makes them more culturally open (Matysek, 2010). Shimp (1984) defined ethnocentrics as people with lower income, as compared to non-ethnocentrics. Nadiri & Tumer (2010) conducted a study in North Cyprus where they examined the relationship between the income level and the level of consumer ethnocentrism of Turkish respondents. The results showed that respondents with higher monthly income level had fewer ethnocentric tendencies than consumers with lower monthly income level. The same was confirmed by the Lithuanian respondents, whose growing income reduced their level of consumer ethnocentrism, meaning that more prosperous Lithuanian consumers have lower preference for domestic products (Urbonavicius et. al, 2010). Malaysian consumers that belong to the group with lower income are more consumer ethnocentric than the others (Shah & Ibrahim, 2012). The same is true for South African and Indian consumers (Bawa, 2004; Pentz, 2011).

Despite the previously mentioned studies that support the negative correlation between consumer ethnocentrism and income, there are also studies that do not regard income as an important antecedent of consumer ethnocentrism. A study of such kind is conducted by Cleveland, et al. (2009), who demonstrated that the two constructs are negatively correlated only for the Greek respondents, while their relationship is not that strong for other groups of respondents. Australian consumers also show no connection between their level of ethnocentrism and their income level (Josiassen et. al, 2010). The same conclusion is derived from a study conducted among Mauritian consumers (Ramsaran-Fowdar, 2010).

When we talk about income and consumer ethnocentrism it is interesting to mention the study conducted among US citizens, which characterized income level as only a minor predictor of consumer ethnocentrism (Klien & Ettenson, 1999). However, in 2003 Hopkins & Powers, encountered a positive relationship between consumer ethnocentrism and income level, proving that as the income level of US citizens increases, so does their ethnocentrism level. This was explained by the fact that products in the US (as a developed country) were more expensive than imported alternatives and were most attractive to higher income consumers (Siamagka, 2009).

Social class is often reflected in the status of people. Interpreted in marketing terms status is defined by the demographic characteristics of people (income, occupation and education), although consumers belonging to the same social class are not only similar in their demographic characteristics but they also exhibit similarity in values, norms, attitudes and behavioural patterns (NPTEL, 2013). They associate brands with social classes which directly affects their purchase decision (Carruana & Magri, 1996). The study regarding the correlation between consumer ethnocentrism and income can be extended by adding social class to the proposition and a conclusion can be drawn that as people move up the social hierarchy their ethnocentric attitudes become weaker (Shankarmahesh, 2006). Shimp (1984) proved the same, by characterizing ethnocentric people as people with lower social class status that non ethnocentric. Later on continuing on his work Sharma & Shimp (1987), demonstrated that Americans who belong to lower classes are more ethnocentric in their consumption than those who belong to higher social classes. Klien & Ettenson (1999) researched the same relationship and once again confirmed that ethnocentric consumers in the US hold lower socio-economic status.

Region of residence has also been recognized as one of the demographic factors that determine consumer ethnocentrism. It is believed that people who live in an area where there is foreign competition and perceive threat to their jobs, are more likely to exhibit ethnocentric tendencies, which was even demonstrated on a sample of Mexican respondents, where the highest level of consumer ethnocentrism was demonstrated by the respondents from Tijuana (a most western city in Mexico, bordering with California) (Witkowski, 1998). Sharma & Shimp (1987), also emphasize that among four areas in the US (Detroit, Denver, Los Angeles, Carolinas), most ethnocentric consumers can be found in Detroit, mainly because of the decline in American car manufacturers' market share at that time. It is believed that in this region people perceived greater threat to their jobs and greater foreign competition. Malaysian consumers that live in big cities in the central and southern region of Malaysia are less ethnocentric than people who live in smaller cities near the border with Thailand. Authors attribute this to the differences in income level, purchasing power and exposure towards foreign products, among the regions in Malaysia (Shah & Ibrahim, 2012). However, despite of the results that go in favour of the proposition that region does have an effect on the level of consumer ethnocentrism, there are also findings that show no relationship between the two dimensions (Kamaruddin, et al., 2002; Witkowski, 1998).

All of the reviewed socio-demographic characteristics of the consumers are somewhat related to their level of ethnocentrism, which means that some of them are potential antecedents of consumer ethnocentric tendencies. This completely approves the need to investigate the relationship between the two in each national setting separately, in order to reveal the real reasons and drivers behind the existence or non-existence of ethnocentric tendencies among consumers in different countries.

1.2.3 Measuring ethnocentrism and the CETSCALE

A scale that measures ethnocentric attitudes of consumers is imperative and very important for the study of consumer ethnocentrism and international marketing. Such a scale was first developed by Sharma & Shimp (1987), and was named the CETSCALE (Consumer Ethnocentric Tendencies Scale). This scale is developed on the basis of the sociological concept of ethnocentrism, which encompasses rating people or objects from other cultures and ethnic groups based on one's own cultural perspective (Al Ganideh, et al., 2012, p51). It incorporates emotional dimensions coming from the purchase of foreign goods and the implications of those acts on the domestic industry and economy and it is not products specific (Herche, 1992). Although the original purpose of the scale was to measure Americans' ethnocentric tendencies towards purchasing domestic or foreign products, after its introduction in 1987, the CETSCALE is an integral part of almost all studies related to consumer ethnocentrism.

The CETSCALE is a measure of "tendency" and not of "attitude", since it represents that people behave in consistent manner towards all foreign products (Sharma & Shimp, *Consumer Ethnocentrism: Construction and Validation of the CETSCALE*, 1987, p.281). Sharma & Shimp (1987), considered the construction of the CETSCALE a necessity, as the existent California ethnocentrism scale was not relevant for consumers and consumer behavior and was not consistent with the situation in America.

Sharma & Shimp (1987) initiated the process of development of the CETSCALE by conducting a preliminary study among above 800 American consumers, who provided responses and opinions about the appropriateness of purchasing foreign made products. This study resulted in seven aspects that represented the attitudes of consumers regarding the foreign products: "consumer ethnocentrism, price-value perceptions, self-interest concerns, reciprocity norms, rationalization of choice, restrictions mentality and freedom of choice". All of them were reflected in 180 different statements. Two additional purification studies were then conducted. The first one resulted in 54 items (or statements) from the total 180. Those items formed the basis for the second purification study and for the questionnaire conducted among respondents from Detroit, Denver, Los Angeles and North and South Carolina. The studies resulted in only 25 items, which were than refined considering only the aspect of consumer ethnocentrism. Five different tests showed consistent results and indicated that only 17 items were relevant for the concept of consumer ethnocentrism. These 17 items (see Appendix A) were all linked to the idea that buying foreign made products hurts the domestic economy, is unpatriotic and causes unemployment.

The next step in the process of development of the CETSCALE was testing the reliability of the developed 17 item scale, by conducting four separate studies. Respondents from Detroit, Denver, Los Angeles, North and South Carolina, as well as college students were examined and asked about their attitudes towards foreign products, ownership of imported cars and

intentions for buying one and their consumer ethnocentric tendencies. The results of these four studies confirmed and supported the statement about the reliability and validity of the CETSCALE and also pointed out to the fact that the scale is unidimensional, meaning that it is only used to measure the level of respondents' ethnocentrism. (Sharma & Shimp, 1987; Fritsch, 2008)

As all the previously mentioned studies were conducted on the territory of America and only demonstrated the validity of the CETSCALE there, after the development its validity and reliability started to be tested around the world, applying the construct to different nations and cultures.

Netemeyer, Durvasula & Lichtenstein in 1991, conducted a study among four different countries that actively traded with each other, in order to test the reliability and validity of the CETSCALE in their national contexts. Business students from US, West Germany, France and Japan, were selected as respondents and they responded to the 17 item CETSCALE and other scales measuring preference for domestic or foreign products. The collected results confirmed the proposition about the internal reliability of the CETSCALE across the four countries.

After the study by Netemeyer et al. (1991), which actually demonstrated that the CETSCALE can be very useful for international consumer research, other studies were also carried out. One of those studies was conducted on the territory of Spain (Luque – Martinez, Ibanez – Zapata & Garcia, 2000). A number of municipalities in Spain were covered by the research and maximum of five interviews per municipality were performed. Different households were selected and a personal interview with the male or female head of the household responsible for the shopping was carried out. After selecting and refining the results, the reliability, validity and unidimensionality of the CETSCALE as a measurement scale for Spanish consumers' ethnocentric tendencies was established. With this study, Luque - Martinez et al. (2000) reinforced the statement about the use of the CETSCALE internationally and within a single country.

In the following years Bawa (2004), carried out a study among management professionals, university students and secondary school students in India. This study demonstrated that each on the 17 items of the CETSCALE was valid and thus the CETSCALE was reliable for measuring ethnocentrism in that country. What this study also showed was that the CETSCALE cannot be treated as unidimensional in India, as the concept of consumer ethnocentrism there, is not conceptually equivalent to the same concept in US and other countries that show supporting unidimensionality results.

Saffu & Walker conducted a research among students from Canada and Russia in 2005, in order to determine the reliability and dimensionality of the CETSCALE in those two countries (Canada as an advanced county and Russia as a country in transition). The 17 items of the CETSCALE were tested and the results showed internal consistency and stability of the scale

in the two examined national contexts. However, the unidimensionalily of the scale was only proved in Canada. In 2008, once again the same results were encountered in India (Khan & Rizvi, 2008), where a study was conducted among MBA students and the results showed that the CETSCALE is a reliable scale, but it was not unidimensional like the original scale developed in America (Khan & Rizvi, 2008). On the contrary Teo, Mohamad & Ramayan (2011), in a study among young Malaysian consumers, demonstrated the superiority of the unidimensional CETSCALE.

Further studies that support validity and reliability of the CETSCALE were conducted in North Cyprus, where it was demonstrated that the scale can be used to measure the ethnocentric tendencies of consumers (Nadiri & Tumer, 2010). The CETSCALE can also be applied to the Ethiopian market (Mangnale, Potluri & Defugu, 2011).

In 2012, the reliability and validity of CETSCALE was once again demonstrated by conducting consumer ethnocentrism study on the territory of Croatia (Renko, Karanovic & Matic, 2012) and Jordan (Al Ganideh, et al., 2012).

Although there is plenty of evidence that the CETSCALE is a reliable and valid construct for cross-national application and measurement of ethnocentric tendencies of consumers from different nations, Siamagka (2009) elaborated some of the limitations of the scale in her doctoral thesis. She focuses on the fact that the current construct relates to pure altruism and love for one's own country, based on the perceived threat of losing jobs and hurting the domestic economy. Based on this, she detected two types of limitations: content limitations and technical limitations.

Siamagka (2009, p.120) states that the CETSCALE measures the type of consumer ethnocentrism that is similar to the classical ethnocentrism. According to her the CETSCALE only reflects nationalistic attitudes and excludes patriotic ones, which is why she emphasizes the need to incorporate both nationalistic and patriotic motives into the scale, as they can very much influence the level of consumer ethnocentrism. Furthermore, she detects the need of examining pure together with impure altruistic motives, as they both influence the development of ethnocentric tendencies. Another dimension that Siamagka (2009) considers as relevant for the scale is threat, mostly because of its tendency of reinforcing ethnocentrism and leading to preference of domestic goods. A limitation of the CETSCALE is also identified in the fact that the scale does not include the impact of forces in society to the development of ethnocentric sentiments and Siamagka (2009) proposes reinforcing the scale with statements that capture the tendency of people to conform to established norms. Technical limitations of the CETSCALE were encountered in the extreme statements that represent the 17 items of the scale, and thus the inability for obtaining a totally agree result, and in the rigidity of the statements that influence the validity of the data. As a solution to this problem, Siagamka (2009) proposed adding additional average statements to the scale and revising its wording.

Gradually, regardless of its limitations, the CETSCALE was accepted as a reliable and valid scale that can be used across nations and countries in order to measure the ethnocentric tendencies of consumers.

1.2.4 Consumer purchase behaviour and the ethnocentrism

Consumer purchase behaviour refers to the behaviour of buyers who purchase products for many different reasons (personal, family of group use), but mostly for satisfying an identified unmet need (Burnett, 2008, p. 75). Consumer behaviour identifies and explores the personal, situational, psychological and social reasons behind people's purchase, use and disposal of products (The Saylor Foundstion, n.d., p. 63).

When a need or a problem is identified, each consumer goes through a specific buying process which results in a purchase of a product based on his/her specific needs and preferences. However, when there is a clear understanding of which type of product is needed and when there are more alternatives of that product on the market, it becomes a question of motives for buying one or another version of the product. This is where consumer ethnocentrism becomes evident. Namely, when there are domestic and foreign alternatives of a product, the level of consumer ethnocentrism will have a significant influence on the purchase behaviour of consumers. This will be true especially for those consumers who regard the purchasing process as a process of solving a need, psychological in nature. In other words, when a consumer seeks to satisfy a need and at the same time regards that problem from the perspective of being accepted by others in the immediate society, the level of ethnocentrism he/she holds will strongly influence the choice of the domestic or the foreign alternative of a product.

Various socio-psychological constructs have been used by the researchers attempting to understand consumption motivations of people, when choosing among domestic and foreign products. The two most important aspects identified were the way people relate to their in-group and the way they regard and perceive their out-group (Parts & Vida, 2011). Having in mind that consumer ethnocentrism have been commonly used to explain the choice for domestic or foreign products, it is a construct important to the field of consumer purchase behaviour. That is why, the level of consumer ethnocentrism and its impact on the purchase of domestic or foreign products has been widely researched and there is plenty of evidence about the relationship between the two dimensions. The following two sections focus on those relationships.

1.2.4.1 Consumers' domestic purchase behaviour

Consumers' domestic purchase behaviour refers to the purchase of home-made products. It is reflected in the attitudes of consumers towards domestically made products. The literature identifies many studies that portray and demonstrate the relationship between the level of consumer ethnocentrism and domestic purchase behaviour. It is believed that this relationship

is positive, as consumer ethnocentrism not only creates moral obligation for purchasing home-made products, but also leads to overestimation of the attributes and quality of locally produced products (Abedniya & Zaeim, 2011). Put in other words, ethnocentric consumers are more likely to buy domestic than foreign products, as they hold negative attitudes toward global brands (Usunier & Lee, 2009, p.115).

The level of consumer ethnocentrism influences the domestic purchase behaviour directly and indirectly, through domestic product appraisal. This was demonstrated by a study among consumers from the West Balkans, where the results showed that consumer ethnocentrism is not only positively related to domestic purchase behaviour, but also has a direct and positive effect on consumers' appraisal of home-made products (Dmitrovic, Vida & Reardon, 2009). Consumer ethnocentrism reinforces the positive aspects of domestic products, which leads to preference for locally made (home-made) products (Sharma & Shimp, 1987).

In a study conducted in 1991 by Netemeyer et al., the positive relationship between consumer ethnocentrism and domestic purchase behavior was clearly outlined and demonstrated. Namely, the study encompassing students from the US, Germany, France and Japan, resulted in a general conclusion that there is a significant correlation between the level of consumer ethnocentrism and the importance of buying domestic products and preference for them.

Huang et al. in 2010 examined the hypothesis about the positive impact of Taiwanese' consumer ethnocentrism on the purchase of Taiwan made products and demonstrated that higher levels of ethnocentrism lead to purchase of home-made (Taiwanese) products. That is why these authors suggested that it is crucial to understand the concept of consumer ethnocentrism in order to be able to better comprehend consumers' reasons for preferring domestic over foreign products. Nadiri & Tumer (2010) also proved that consumers from North Cyprus prefer to buy domestically produced products as a result of their high level of ethnocentrism. The same hypothesis was tested on the Chinese market and it was shown than highly ethnocentric Chinese consumers also exhibit positive attitudes towards domestic products (Jianlin, Ning & Qi, 2010). Another study from 2010 by Rybina et al., demonstrated that consumer ethnocentrism in Kazakhstan leads to high consumption of locally produced goods. Renko, et al. (2012) tested the same hypothesis on the Croatian market and confirmed that the high consumer ethnocentrism of Croatians leads to preference of Croatian products.

However, there are also studies which show that the relationship between ethnocentrism and purchase of domestic products is not always straightforward and is dependent on other variables and factors. That is the case with the Iranian consumers whose level of ethnocentrism influences the readiness to buy domestic products, but is dependent on other factors, as country-of-origin (already explained in this study) and conspicuous consumption (a desire of providing visible evidence about the ability of affording luxury goods) (Ranjbarian, Rojuee & Mirzaei, 2010). Furthermore, Balabanis & Diamantopoulos (2004), found positive link between the level of consumer ethnocentrism of UK consumers and their preference for

domestic products, but at the same time they demonstrated that the significance of the relationship will vary depending on the product category involved.

1.2.4.2 Consumers' foreign purchase behaviour

Consumers' foreign purchase behaviour reflects people's attitudes towards purchasing foreign made products and preferences for those products. However, differentiating between products, especially when living in a world of international product adaptations, is very difficult. Because of the lack of information and familiarity with certain foreign products, consumers often reject those products (Torres & Gutierrez, 2007), which is especially relevant when it comes to a consumer with high ethnocentric tendencies. As in the case with the consumer ethnocentrism and domestic purchase behaviour, the relationship between foreign purchase behaviour and consumer ethnocentrism has also been widely researched and examined. It has been generally concluded that consumer ethnocentrism is one of the factors that influences the consumption of foreign made products and judgements people develop for those products (Asuk, 2011).

Sharma & Shimp (1987) originally stated that the ethnocentrism of consumers creates a moral sense about the appropriateness of purchasing foreign products. They claim that ethnocentrism is negatively related to consumers' foreign purchase behaviour, as that act is regarded as unpatriotic, wrong and economically non justifiable. The ethnocentric consumer treats products from other countries with disrespect, disregards their positive characteristics and tends to reject them if they come from culturally dissimilar countries (Herche, 1992).The ethnocentric tendencies reflect negatively on the favorable attitudes toward foreign products (Wanninayake & Chovancova, 2012)

Having in mind the basic definition of consumer ethnocentrism and the extensive research in the literature, there is no doubt that there is a negative correlation between consumer ethnocentrism and foreign purchase behaviour and that consumer ethnocentrism reflects in negative attitudes towards foreign products regardless of their quality or attributes (Huang et al., 2010; Netemeyer et al., 1991; Renko, et al., 2012; Rybina, et al., 2010; Wanninayake & Chovancova, 2012). However, whether it is reflected in a negative attitude towards a foreign product or a complete rejection of the purchase of that kind of product, it is important to understand the basic assumption that the level of consumer ethnocentrism does influence foreign purchase behavior, in a way that as ethnocentric tendencies increase the purchase of foreign products decrease.

1.2.5   The impact of consumer ethnocentrism on the marketing strategy

Marketing strategy reflects the decisions of the organizations about the products, markets, marketing activities and marketing resources when creating, communicating or delivering products that have value for the consumers (Varadarajan, 2010). It involves many complex

decisions when it comes to international marketing, since marketing across cultures is different from marketing domestically (Tony, 2002). This is where consumer ethnocentrism plays a significant role, as it has become an important construct in strategic marketing, regarded as a component of foreign product purchase behaviour and an essential element in the implementation of any marketing strategy (Akdogan, Ozgener, Kaplan & Coskun, 2012; Nadiri & Tumer, 2010). Marketing managers should use different marketing strategies when they wish to attract consumers with different levels of ethnocentricity (Mangnale et al., 2011). Consumer ethnocentrism can largely influence cross-cultural decisions of international marketers, in a way that it shapes their behaviour and actions when conducting business in different countries throughout the world (Tony, 2002).

International marketers should strive to understand the level of ethnocentrism of the consumers they wish to target, and use that information in creating the optimal marketing strategy for the defined segments. Measuring the level of consumer ethnocentrism across countries is very important, as it can be a barrier to success and can help in developing product-positioning strategies in foreign markets and might explain the prejudice toward domestic products (Netemeyer et al., 1991). Consumer ethnocentrism also influences consumers' brand evaluation, attitude formation and actual purchase decision (Teo et al., 2011). It can be a basis for allocating resources in marketing, which is why the CETSCALE is so valuable for the study of international marketing (Josiassen et al., 2010), as it is a tool for better understanding how actual and potential consumers feel for purchasing foreign versus home-made products (Sharma & Shimp, 1987). It is believed that the CETSCALE can be used by companies for periodic tracking studies, geographic segmentation and to help in store location decisions of retail channels (Sharma & Shimp, 1987). The CETSCALE helps international marketers with the analysis and knowledge of the markets in the home-country or internationally. It also helps in designing the marketing-mix by creating connection with the level of consumer ethnocentrism (Luque - Martinez et al., 2000).

Consumer ethnocentrism can help adjust the marketing communication strategy and segment the market, despite the fact that traditional segmenting variables (geographic or demographic) are significant as well (Al Ganideh & Al Taee, 2012; Rybina et al., 2010). In a country with high consumer ethnocentrism, it is important that international marketers try to localize their brands, as that can decrease the influence of consumer ethnocentrism on the purchase intentions (Al Ganideh & Al Taee, 2012). The marketing managers of the foreign firms can also try to assure domestic consumers that purchasing their products will not disadvantage domestic producers, and will not have negative effects on the economic conditions in the home country. They can also enter foreign markets by joint ventures, as that can help them overcome consumer resistance toward foreign made products (Rybina et al., 2010).

In a market with high consumer ethnocentrism, Nadiri & Tumer (2010), advise domestic marketing managers to position their products parallel to the idea that they are made domestically and use promotion tools with messages that point to the domestic origin of the

product. Foreign marketers, on the other hand are advised to focus more on the product attributes and to avoid mentioning the origin of the product. It is imperative that they adapt the marketing programme and create a marketing mix that will reflect the proximity with the targeted culture (Singh & Upadhyay, 2006; Khan & Rizvi, 2008). In a situation when foreign marketers offer a unique product, ethnocentric consumers will evaluate that product on the basis of cultural similarity between the home country and the foreign country. Thus, it is important that international marketers coming from culturally similar countries emphasize the country of origin of their products, as that can benefit them a lot (Watson & Wright, 2000).

Despite of the fact that consumer ethnocentrism is an important factor when developing a marketing strategy, a study conducted by Candan, Aydin & Yamamoto (2008) suggests that consumers' market is under the influence of global impacts, and that consumers do not act with ethnocentric tendencies when making purchase decisions. These authors claim that in a technologically developed world, with easier access to information and a world with increased expectations from products, consumers mostly attach significance to quality, durability, reliability, price and other important variables when assessing and purchasing products.

The extensive research in the field of consumer ethnocentrism and its impact on the marketing strategy of multi-national firms proves that it is a concept relevant for the study of international marketing and a concept worth considering when doing business internationally or when entering foreign countries.

1.3 Quality perception

1.3.1 Perceived quality defined

Quality is a concept that cannot be defined easily. It is perceived differently by different people, as not everyone plays the same role in the society, the economy and in trade relations. Broadly defined, it is regarded as a degree of excellence, superiority (Chandrupatla, 2009; Zeithaml, 1988), performance of standards and a way of meeting customers' needs and satisfying them (Reid & Sanders, 2012). The International Standards Organization, in 1994 defined quality as "the totality of features and characteristics of a product or service that bear upon its ability to satisfy stated or implied needs" (Vowotor, *Analysis of Perceptions and Expectations of Food Quality Among Food Manufacturers and Consumers: A Case Study in Accra,* 2002, p.10). When it comes to the field of consumers' preferences, quality is a critical determinant of consumer satisfaction and an important asset for the suppliers (manufacturers) (Khan & Ahmed, 2012).

Perceived quality is one of the most important constructs in marketing (Khan & Ahmed, 2012; Tsiotsou, 2005; Vantamay, 2007). It is a driver towards repeated purchases and consumer satisfaction and affects the market share, brand profitability, brand power and brand equity (Vantamay, 2007, p.110). Vowotor (2002) identified consumer's perception of quality as a

benchmark around which each processing and marketing activity must revolve in order to achieve maximum profitability in the industry. Aaker (1996) defines perceived quality as the perception of consumers about the overall quality of the product or the service when compared to similar alternatives and as a construct associated with key brand equity measures which include specific functional benefit variables (Vantamay, 2007, p.111).

The concept of perceived quality mediates between objective product characteristics and consumer preferences. This is why the literature identified a difference among perceived and objective quality (Vowotor, 2002). Thus, defining it as consumer's judgment of a product excellence or superiority, Zeithaml (*Consumer perception of price, quality and value: A means-end model and synthesis of evidence*, 1988, p.3) regards perceived quality as not only different from objective quality, but also as "a higher level of abstraction rather than a specific attribute of a product, a global assessment resembling attitude and a judgment usually made within a consumer's evoked set". The difference between the objective and perceived quality comes from the notion that objective quality refers to measurable and verifiable superiority of some previously determined standard(s), related to the technical superiority of the product, as opposed to perceived quality, represented by consumer's subjective judgment about the product's superiority (Zeithaml, 1988).

To create a perception of high quality it is imperative to understand that the extrinsic and intrinsic cues of a product are the most important factors that directly affect it (Vantamay, 2007). The intrinsic cues are part of the product and consumed by consuming the product, and it is not possible to change them without changing the nature of the product. The intrinsic cues are different for different products and provide diverse signals about quality (Zeithaml, 1988). The extrinsic cues, on the other side, generally indicate the quality across brands, products and categories. They are not product-specific and serve as quality indicators across all types of products (Zeithaml, 1988) and even though they don't affect the product's performance, they are part of the total image of the product and can influence consumers' perceptions (Cai, Cude & Swagler, 2004).

The creation of perception of high quality can be done with emphasizing one or more intrinsic or extrinsic cues. However, the emphasis of a particular cue depends on several factors, since there is a relationship between the quality cues used, the point in the purchase decision and the process of consumption at which the quality is being evaluated (Zeithaml, 1988).

When it comes to the purchase moment the intrinsic cues are important only if they can be sensed and evaluated at that time, or if they contain search attributes. The intrinsic cues are also very important at the moment of consumption and consumers rely on them when making quality judgments, particularly if they have a high predictive value. When the conditions under which each type of cue becomes relevant are examined, the literature points out to the importance of the extrinsic attributes. Consumers will rely more on them in the initial phase of

the purchase when there are no intrinsic cues available or when their evaluation takes more time and effort than the consumers are willing to make (Zeithaml, 1988).

Although there are many different authors that defined perceived quality, all of them share the same general belief that perceived product quality depends on the perceptions of the consumer about all the components of the product (Vantamay, 2007), and it is not constant and changes over time, as a result of added information, increased competition and changing expectations (Zeithaml, 1988). As one of the most important constructs in marketing, due to its beneficial impact on purchase intentions (Tsiotsou, 2005), marketing managers need to clearly understand perceived quality and connect it to the objective product quality. That can help them build a strong tool for differentiating their products from the competitors and achieve success (Vantamay, 2007).

1.3.2 Quality perception and the concept of Country-of-Origin

COO is an extrinsic information cue (Elliot & Cameron, 1994) and can be manipulated without changing the physical product (Kabadayi & Lerman, 2011). It is used as a reliable cue of brand quality and functions as a symbolic cue, with emotional value, as it is regarded as the right or normative way to do things (Usunier & Lee, 2009, p. 261-262). A number of research studies demonstrate that COO serves as a signal of product quality and performance, in a way that it affects the overall evaluation of the product by affecting its tangible attributes (Cai et. al, 2004). There is aslo a direct relationship between product quality and the perceived degree of economic development of the country-of-origin (Elliot & Cameron, 1994).

The relationship between the COO and the attributes of the product is based on product country images, one of which is the quality, as a representative of a country's production (Cai et. al, 2004). COO acts as a surrogate indicator of quality, especially if other extrinsic and intrinsic cues, do not give a more positive quality assessment (Elliot & Cameron, 1994). It is used as a signal for overall product quality, reliability and durability (Kabadayi & Lerman, 2011).

Although a number of studies have demonstrated the impact of COO on quality perceptions, it is important to note that most of them are single–cue studies, which is why they have been a subject to extensive criticism (Kabadayi & Lerman, 2011). It is believed that when the COO is used as a single cue, its impact is likely to be more powerful that when used in combination with other cues. Namely, when other extrinsic cues for quality judgments are used, the impact of COO is weak of even non-significant, when it comes to judging the quality of products and making product evaluations (Kabadayi & Lerman, 2011; Cheron & Propeck, 1997). However, a study conducted by Tamijani, Naude, Chaharsoughi, Ashnai & Zandi (2013) among the industrial buyers in Iran, demonstrates that when other attributes are present, the COO is the second most important attribute in product evaluation and quality judgment. They attribute the diverse results about the relative importance of COO on quality judgments to the differences in

product categories and believe that COO effects increase with the increase in the technological complexity of the product.

2 EMPIRICAL STUDY OF CONSUMER ETHNOCENTRISM IN MACEDONIA

There are numerous studies conducted in the field of consumer ethnocentrism throughout the years. That is why at this point, another issue comes into consideration. While there is so much research in this field is it appropriate to further delve into the issue and apply it to the Macedonian consumers? The answer to this question will definitely be a positive one. As Khan and Rizvi (*Consumer ethnocentrism: Relevance and implications for marketers*, 2008, p.52) point out "though results have shown consumer ethnocentrism does impact behaviour of the consumer regarding foreign made products, researchers have observed that the results are not consistent across nations and cultures. Thus, there exists a pressing need for replicative as well as extension studies in the area". When it comes to applying the concept in Macedonia, other facts come in favour of the proposed research. The initial literature review showed that although the issue of ethnocentrism is widely examined, most of the studies were conducted in developed and developing economies, while the transitional economies did not receive much of attention. The preference of global brands in the early stages of the transition of a country, may be altered by the increased competition in the domestic market which can lead to developing nationalistic motives (as ethnocentrism) that can impact consumers' purchasing decisions, which is why the concept of consumer ethnocentrism is relevant for the small and transitional economies (Dmitrovic et al., 2009). This study will also be a first study of this kind applied on the territory of the Republic of Macedonia. A last supporting fact is that the West Balkan region does have and offers a plenty of opportunities for international expansion and this research on consumer ethnocentrism in Macedonia can only help the process (Dmitrovic et al., 2009).

Republic of Macedonia is a small country located in the hearth of south central Europe. It is a transition country rapidly advancing on the path of political and economic reforms towards strengthening its open market economy. Macedonia is highly integrated into international trade and welcomes the foreign investments, which make it a good prospect for international marketers.

Following the aforementioned, the empirical part of this thesis focuses on the concept of consumer ethnocentrism applied on the territory of the Republic of Macedonia. The main focus is put on determining the level of ethnocentrism of Macedonian consumers and its influence on the buying decisions of domestic vs. foreign goods. The objective is to examine the level of consumer ethnocentrism in Macedonia and its effects on the purchase of two products categories (tourism and clothing) from four Countries of Origin (Macedonia, Greece and Turkey for tourism; Macedonia, Greece and China for clothing). Tourism and clothing are selected as product categories to be measured because of their importance for the Macedonian

economy and its people. The impact of tourism on the Macedonian economy is mostly represented by its share in the national GDP (1.8%) and further in generating new employments (3.2%) (Petrevska, 2010). The choice of countries for comparison, is based on the study by GFK Skopje (2010), which shows that one third (35%) of Macedonians chose Macedonia as a vacation destination and the rest of them prefer another country, mostly one of the countries in our near surrounding (Greece and Turkey). The clothing industry on the other side is one of the leading manufacturing industries in Macedonia, with a big impact on the national GDP, import and export, as well as with a big potential for employment. The choice of countries for comparison is based on the fact that the rise of import of clothing in Macedonia is due to the increase of imports from Greece (0, 36 million USD in 2000 to 22, 42 in 2008), China (0, 85 USD million USD in 2000 to 17, 11 million USD in 2008) and Turkey (1,47 million USD in 2000 to 12, 6 million USD in 2008) (Government of Macedonia, Ministry of Economy, 2009) .

The objectives of the present study and the empirical research are the following:

1. To determine the level of ethnocentrism of consumers in Macedonian.
2. To examine the effects of the socio-demographic characteristics of consumers in Macedonia on their level of consumer ethnocentrism.
3. To empirically test whether consumer ethnocentrism has any effect on buying domestic or foreign tourism and clothing products.
4. To determine whether consumer ethnocentrism in Macedonia affects the product judgements of the selected product categories (tourism and clothing) from the different countries of origin.
5. To examine the effects of consumers' product judgements on buying domestic vs. foreign tourism and clothing products.

This study is developed using the quantitative methods. One has to bear in mind that this is an empirical research, where the problem is explored by measuring the aspect which is why the quantitative approach is used to formulate the hypotheses, the constructions of the variables and to analyse the relationships between the variables. A survey is conducted as a research strategy to collect the primary data, given that this is considered the most appropriate way to yield the needed results and test the proposed hypotheses. This is why the instrument used is the questionnaire, with a range of closed-ended or structured questions.

The questionnaire is composed of three different parts. The first part is dedicated to the consumer ethnocentrism and some dimensions related to it. The second part focuses on the quality perception, the willingness of purchase and the actual purchase behaviour, whereas the last part outlines some general socio-demographic characteristics of consumers. The constructs of the variables in the questionnaire are represented with statements measured on a seven-point Likert scale, where the respondents have to evaluate them on a scale from 1 = "strongly disagree" to 7 = "strongly agree". On the basis of the results obtained a set of hypotheses is

examined. The collected data are subject to quantitative data analysis and are analysed with the help of the Statistical Package for Social Sciences (SPSS).

2.1 Conceptual model and description of the research hypotheses

Based on the provided literature background, the conceptual model of the study is derived. The basis for the model is the developed integrated graphic framework of previous work on the antecedents and consequences of CET, by Shankarmahesh (2006) (see Appendix B). The model is completely adjusted, excluding the variables that are not relevant for this study ((1) socio-psychological antecedents, (2) economic antecedents, (3) political antecedents and (4) moderators), and on the other side including (5) Product judgments, (6) Willingness of domestic product purchase, (7) Willingness of foreign product purchase, (8) Actual purchase behaviour of domestic products and (9) Actual purchase behaviour of foreign products. The conceptual model presented in Figure 1, serves as a basis for answering the previously posed questions and for drawing a final conclusion on the level of consumer ethnocentrism in Macedonia as well as on some of its effects on the purchasing decisions.

Figure 1. Conceptual Model and Research Hypotheses
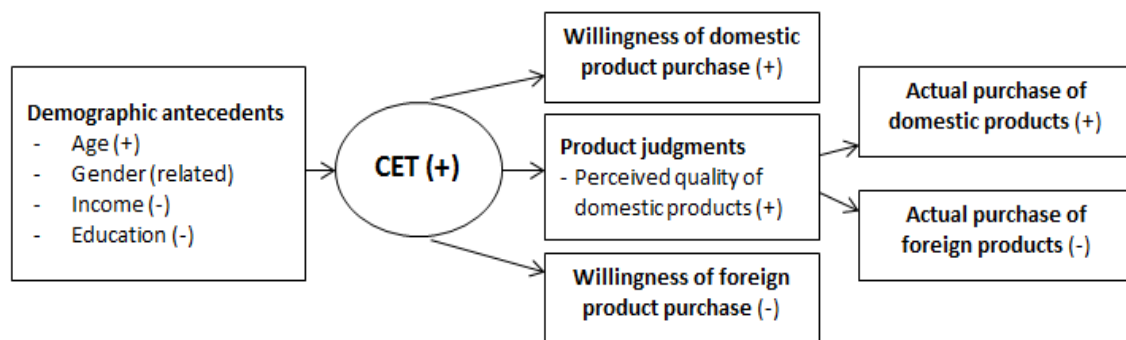
Based on the previous literature and on the model presented above, the hypotheses are developed. Following is a short discussion on the background and the development of the four sets of hypotheses, which represent this empirical study. The first and the second sets of hypotheses are concerned with the direct impact of consumer ethnocentrism on the willingness of purchasing domestic versus foreign products. The next set of hypotheses delves into the question of ethnocentrism and its variability on the basis of consumers' socio-demographic characteristics, whereas the final set of hypotheses deals with the product judgements and consumer ethnocentrism, as well as with the relationship between product judgments and the actual purchase behaviour.

The conceptual model of the study depicts a clear and positive relationship between the level of consumer ethnocentrism and the willingness of purchasing domestic tourism and clothing products. As already mentioned a number of studies throughout the world demonstrate a positive relationship between the two (Sharma & Shimp, 1987; Netemeyer et al., 1991;

Dmitrovic et al., 2009; Huang et al., 2010; Renko, et al. 2012). Huang et al. (2010) even claim that it is very important to understand the concept of consumer ethnocentrism, as that can be one of the main reasons why consumers prefer domestic over foreign products. Based on these findings, we hypothesize:

Hypothesis Ia: Consumer ethnocentrism will be positively correlated with the purchase of domestic tourism products.

Hypothesis IIa: Consumer ethnocentrism will be positively correlated with the purchase of domestic clothing products.

The proposed model further shows a direct negative relationship between the level of consumer ethnocentrism and the purchase of foreign tourism and clothing products. The literature reveals a general conclusion that consumer ethnocentrism is one of the factors that influences the consumption of foreign made products (Asuk, 2011). As Sharma & Shimp (1987) originally stated, consumer ethnocentrism leads to a moral obligation to reject the foreign products. It is the ethnocentrism of consumers that creates negative attitudes towards foreign products and products from culturally dissimilar countries (Herche, 1992 and Wanninayake & Chovancova, 2012). Most of the studies conducted in this field so far, show almost consistent results, depicting a negative relationship between consumer ethnocentrism and the purchase of foreign products (Huang et al., 2010; Netemeyer et al., 1991; Renko, et al., 2012; Rybina, et al., 2010; Wanninayake & Chovancova, 2012). Thus, the next proposed hypotheses are:

Hypothesis Ib: Consumer ethnocentrism will be negatively correlated with the purchase of foreign tourism products.

Hypothesis IIb: Consumer ethnocentrism will be negatively correlated with the purchase of foreign clothing products.

When we talk about the variability of ethnocentrism on the basis of consumers' socio-demographic characteristics, it is important to point out that those characteristics have been identified as one of the most important groups of antecedents of consumer ethnocentrism. The most widely researched socio-demographic characteristics are the age, gender, income and level of education, which is why they are included in our conceptual model.

As the strongest of the demographic antecedents, the age of consumers is positively related with their level of ethnocentrism. Shankarmahesh (2006) attributes this to the increased cosmopolitanism and changed socio-cultural beliefs of younger consumers, supported by the fact that older consumers are more patriotic and conservative (Matysek, 2010). There is more empirical evidence that older people are more ethnocentric that younger ones (Pentz, 2011) suggesting a positive relationship between the age of the consumers and their ethnocentrism. The same was demonstrated in a number of studies throughout the world (Josiassen et al.,

2010; Watson & Wright, 2000; Shah & Ibrahim, 2012; Nadiri & Tumer, 2010). Hence, the following hypothesis is derived:

Hypothesis IIIa: Consumer ethnocentrism varies across the different age groups of consumers.

As already mentioned, the gender of the consumer, along with income, are the two demographic antecedents of consumer ethnocentrism, which show the most inconsistent results across countries and nations (Siamagka, 2009). There are many studies which show that women are more ethnocentric that men (Bandyopadhyay & Muhammad, 1999; Klien & Ettenson, 1999; Shah & Ibrahim, 2012), but there are also other ones which depict men as being more ethnocentric than women (Ramsaran-Fowdar, 2010). Thus, similar to these findings, we hypothesize:

Hypothesis IIIb: Consumer ethnocentrism varies depending on the gender of the consumers.

When it comes to the relationship between income and consumer ethnocentrism, most of the studies show negative tendency among the two (Nadiri & Tumer, 2010; Urbonavicius et. al, 2010; Shah & Ibrahim, 2012; Bawa, 2004; Pentz, 2011). This can be attributed to the notion that people with higher income will buy more imported products and will travel abroad more often, which will make them more culturally open (Matysek, 2010). These literature findings along with Shimp's (1984) definition of ethnocentrics as people with lower income, as compared to non-ethnocentrics, lead to the following hypothesis:

Hypothesis IIIc: Consumer ethnocentrism varies across the different income levels of consumers.

In 1984, Shimp characterized ethnocentrics as people with lower educational achievements than non-ethnocentrics. Following from that statement, additional studies were carried out, all of which showed almost consistent results, defining the more ethnocentric consumers as less educated that those who were less ethnocentric (Shah & Ibrahim, 2012; Huang et al., 2010; Cleveland, et al., 2009; Fritsch, 2008; Shankarmahesh, 2006; Bawa, 2004; Watson & Wright, 2000; Klien & Ettenson, 1999; Carruana & Magri, 1996). Although that can be attributed to the logic that as people become more educated, they get more familiar with foreign cultures (Siamagka, 2009), the only logical hypothesis that can be derived is:

Hypothesis IIId: Consumer ethnocentrism varies across the different educational levels of consumers.

The conceptual model further shows a relationship between the level of consumer ethnocentrism and the product judgements or in other words, quality perceptions. As explained

in the literature review, it is believed that consumer ethnocentrism leads to overestimation of the attributes and quality of locally produced products (Abedniya & Zaeim, 2011) and reinforces their positive aspects (Sharma & Shimp, 1987), which on the other side creates a lack of information and familiarity with certain foreign products, and thus rejection of those products (Torres & Gutierrez, 2007). There is also evidence that the level of consumer ethnocentrism influences the domestic purchase behaviour not only directly but also indirectly, through domestic product appraisal. This was acknowledged by a study in the West Balkans where the results showed that consumer ethnocentrism is not only positively related to domestic purchase behaviour, but has a direct and positive effect on consumers' appraisal of home-made products (Dmitrovic, et al., 2009). Based on these data, we hypothesize:

Hypothesis IVa: Consumer ethnocentrism is positively correlated with the perceived quality of domestic tourism products.

Hypothesis IVb: Consumer ethnocentrism is positively correlated with the perceived quality of domestic clothing products.

An interesting relationship presented in the conceptual model is the one between the product judgments or the perceived quality of domestic products and the actual purchase behaviour of domestic/foreign products. As one of the main reasons why consumers prefer one product over another, quality is seen as a factor that influences the intention of buying a product positively, which on the other side leads to actual purchase behaviour (Al-Ekam, et al., 2012). Therefore, the next hypotheses are:

Hypothesis V: The perceived quality of the domestic tourism products will be positively correlated with their actual purchase.

Hypothesis VI: The perceived quality of the domestic clothing products will be positively correlated with their actual purchase.

All of these hypotheses answer some of the basic research questions in this area and determine the importance of the concept of consumer ethnocentrism in Macedonia and its effects on the decisions and the actual purchase of Macedonians.

2.2 Research methodology

For the purpose of the present study and in order to collect the needed results the conducted research strategy was the survey. A questionnaire composed of three basic parts was used for the data collection. That is why this part of the thesis focuses on describing the research methodology, defining the constructs in the conceptual model previously drawn, as well as explaining the process of questionnaire design and data collection.

2.2.1 Operationalization of variables

The literature presented in the previous sections reveals a lot of studies investigating the concept of consumer ethnocentrism which serve as a basis for developing similar study on the territory of the Republic of Macedonia. As mentioned, the study is based on a questionnaire composed of three different parts. The first part of the questionnaire is comprised of statements measuring the level of consumer ethnocentrism. The second part focuses on measuring the quality perception, the willingness of domestic and foreign product purchase and the actual purchase behaviour of consumers, while the last part of the questionnaire encompasses basic demographic variables.

The *consumer ethnocentrism* is measured by the CETSCALE, as a scale for measuring the general ethnocentric tendencies of consumers. Having in mind that the original scale developed by Sharma & Shimp (1987) consist of 17 items, the scale is adapted and modified, so that it includes only 4 items taken from the original CETSCALE and adapted to the Macedonian context. Table 1 presents the operationalization of the construct of consumer ethnocentrism, along with its measurement items, labels and the sources for adaptation.

Table 1. Operationalization of the Constructs of Consumer Ethnocentrism

ITEM	LABEL	ADAPTED FROM
Consumer ethnocentrism		
Macedonians should not let other countries get rich off us.	CET1	
Macedonians, who buy mainly foreign-made products, hurt the Macedonian economy and cause unemployment.	CET2	Sharma & Shimp (1987)
It may cost me more in the long run but I prefer to buy products made in Macedonia.	CET3	
We should buy from foreign countries only those products that we cannot obtain within Macedonia.	CET4	

Quality perceptions or *product judgments* for each of the two products from the researched countries are operationalized and adapted from "the general product attribute scale" by Pisharodi & Parameswaran (1992) and "the product judgment scale" by Wongtada, Rice & Bandyopadhyay (2012). *Willingness of domestic and foreign product purchase* are also operationalized with the help of "the willingness to purchase scale" developed by Wongtada et al. (2012). Table 2 summarizes the operationalization of these two constructs.

At the end of the second part of the questionnaire the respondents are asked to rate their actual purchase behavior of apparel products from the specified countries, on a scale from (1) - never to (7) - almost always and to state the number of times they have been on a vacation in the specified countries in the last three years.

In the third part of the questionnaire the respondents provided some demographic characteristics about themselves. They were asked about their gender (Gender), year of birth, transformed into age groups (Age - Group), nationality (Nationality), level of education (Education) and work status (Work). Respondents also had to provide their place (Residence) and region of residence (Region) and the number of family members (Household). There was also a question regarding the level of income (Income), and those who indicated their level of income as average, had to answer one additional question (Ave_income).

Table 2. Operationalization of Product Judgments, Willingness of Domestic Product Purchase and Willingness of Foreign Product Purchase

ITEM	LABEL	ADAPTED FROM
Product judgements		
Apparel products		
Apparel products from Macedonia/ Greece/ China usually offer good value for the money.	QuaApMaced_1/ QuaApGreece_1/ QuaApChina_1	
Apparel products from Macedonia/ Greece/ China are generally of high quality.	QuaApMaced_2/ QuaApGreece_2/ QuaApChina_2	Pisharodi & Parameswaran (1992)
Apparel products from Macedonia/ Greece/ China are generally better that the same products originating from other countries.	QuaApMaced_3/ QuaApGreece_3/ QuaApChina_3	Wongtada et al. (2012)
Apparel products from Macedonia/ Greece/ China seem to be satisfactory.	QuaApMaced_4/ QuaApGreece_4/ QuaApChina_4	
Apparel products from Macedonia/ Greece/ China are generally cleverly designed and attractive.	QuaApMaced_5/ QuaApGreece_5/ QuaApChina_5	
Tourism services		
Tourism services from Macedonia/ Greece/ Turkey usually offer good value for the money.	QuaTurMaced_1/ QuaTurGreece_1/ QuaTurChina_1	Pisharodi & Parameswaran (1992)
Tourism services from Macedonia/ Greece/ Turkey are generally of high quality.	QuaTurMaced_2/ QuaTurGreece_2/ QuaTurChina_2	Wongtada et al. (2012)
Tourism services from Macedonia/ Greece/ Turkey are generally better that the same products originating from other countries.	QuaTurMaced_3/ QuaTurGreece_3/ QuaTurChina_3	Pisharodi & Parameswaran (1992)
Tourism services from Macedonia/ Greece/ Turkey seem to be satisfactory.	QuaTurMaced_4/ QuaTurGreece_4/ QuaTurChina_4	Wongtada et al. (2012)
Tourism services from Macedonia/ Greece/ Turkey are generally cleverly designed and attractive.	QuaTurMaced_5/ QuaTurGreece_5/ QuaTurChina_5	

continued

ITEM	LABEL	ADAPTED FROM
Willingness of domestic product purchase		
Apparel products		
I am willing to buy apparel products from Macedonia.	WIPapMaced_1/	
It is very likely that I will buy apparel products from Macedonia in the next year.	WIPapMaced_2/	Wongtada et al. (2012)
Whenever I have the possibility to choose, I prefer to buy apparel products from Macedonia.	WIPapMaced_3/	
Generally I avoid buying apparel products from Macedonia.	WIPapMaced_4/	
Tourism services		
I am willing to spend holidays in Macedonia.	WIPtrMaced_1/	
It is very likely that I will spend holidays in Macedonia the next year.	WIPtrMaced_2/	Wongtada et al. (2012)
Whenever I have the possibility to choose, I prefer to spend holidays in Macedonia.	WIPtrMaced_3/	
Generally I avoid spending holidays in Macedonia.	WIPtrMaced_4/	
Willingness of foreign product purchase		
Apparel products		
I am willing to buy apparel products from Greece/ China.	WIPapGreece_1/ WIPapChina_1	
It is very likely that I will buy apparel products from Greece/ China in the next year.	WIPapGreece_2/ WIPapChina_2	Wongtada et al. (2012)
Whenever I have the possibility to choose, I prefer to buy apparel products from Greece/ China.	WIPapGreece_3/ WIPapChina_3	
Generally I avoid buying apparel products from Greece/ China.	WIPapGreece_4/ WIPapChina_4	
Tourism services		
I am willing to spend holidays in Greece/ Turkey.	WIPtrGreece_1/ WIPtrTurkey_1	
It is very likely that I will spend holidays in Greece/ Turkey the next year.	WIPtrGreece_2/ WIPtrTurkey_2	Wongtada et al. (2012)
Whenever I have the possibility to choose, I prefer to spend holidays in Greece/ Turkey.	WIPtrGreece_3/ WIPtrTurkey_3	
Generally I avoid spending holidays in Greece/ Turkey.	WIPtrGreece_4/ WIPtrTurkey_4	

2.2.2 Questionnaire design and data collection

The preparation of this research was done at the end of 2012. The first step in conducting the survey was developing the questionnaire with all the needed constructs in order to collect the right data to test the hypotheses. As already mentioned, the questionnaire wasdeveloped with

the help of the CETSCALE and other relevant measurement scales and is composed of three different parts. The first part is dedicated to examining the concept of consumer ethnocentrism, measured by different items or statements. The second part of the questionnaire focuses on measuring the quality perceptions of the selected products (clothing and tourism) from the selected countries (Macedonia, Greece, Turkey and China), as well as on measuring the willingness of domestic/foreign product purchase and the actual purchase decisions. The last part of the questionnaire is composed of some general socio-demographic questions. The questionnaire is composed mostly of structured, closed-ended questions and only two open-ended questions where the respondents are asked to write their own answers. The statements in the structured questions had to be evaluated on a scale ranging from 1 – "strongly disagree" to 7 – "strongly agree". A brief introduction into each section of the questionnaire was provided and each respondent is informed about the approximate duration of the questionnaire.

Since the questionnaire was originally developed in English and the research was done on the territory of Macedonia, there was a need to translate it in Macedonian, since not all of the respondents were familiar with the English language. In order to ensure that the questionnaire is authentic and correctly translated in Macedonian, measuring exactly the constructs it was built to measure, a simultaneous translation by five translators was done, following a comparison of all the translated questionnaires and developing the most optimal version (See Appendix C for the English version and Appendix D for the Macedonian version of the developed questionnaire).

After agreeing on the final version of the questionnaire, in January 2013 a pilot study was performed, where 20 respondents (10 in Berovo, 5 in Vladimirovo, 2 in Pehcevo and 3 in Skopje) were asked to complete the questionnaire, and report if there was any difficulty regarding the questionnaire. The pilot study showed only minor issues (mostly technical) and after correcting them, the actual field work was conducted in the period from February to June 2013. The sample of respondents used was convenient, since there was a need of variability among the respondents as they need to hold different socio-demographic characteristics. Around 250 respondents from different cities in Macedonia were asked to complete the questionnaire. The first questionnaires were sent by e-mail, where 28 useful questionnaires were returned to the sender completed. The data collection continued online (through kwiksurveys.com), where additional 32 questionnaires were gathered. After that the research continued directly on the field in Vladimirovo (with 70 questionnaires collected), Berovo (with 45 questionnaires collected), Pehcevo (with 10 questionnaires collected) and Skopje (with 55 questionnaires collected). The total number of relevant questionnaires collected was 240. The testing of all measured instruments was done personally by the researcher. Before giving the questionnaires to the respondents they were informed that the survey is voluntary and anonymous. The respondents were also informed about the time needed for the completion of the questionnaire, the nature and the character of the survey and the way they can get informed about their own as well as about the group results. The completion of the questionnaire lasted

15 minutes in average. Most of the respondents showed free will and motivation for participating in the survey.

3   DATA ANALYSIS

This part of the thesis focuses on the actual study conducted in Macedonia and on the results obtained from the survey. The quantitative approach was used to develop this study and to formulate the hypotheses, the constructions of the variables and to analyse the relationships between the variables. The data obtained from the conducted questionnaire were processed with the help of the SPSS (Statistical Package for Social Sciences).

3.1 Characteristics of the sample

The demographic profile of the respondents is represented by their gender, age, nationality, education, place and region of residence, household members and income. Appendix E provides summary of the demographic characteristics of the respondents.

In terms of gender this study is composed of more females (59.2%) than males (40.8%). When we talk about age, we focus on the year of birth of the respondents, but for the purpose of showing the age distribution of our sample, we form five different categories (Age_group) or age groups: from 1995 to 1985, from 1984 to 1975, from 1974 to 1965, from 1964 to 1955 and 1954 and below. Although, most of our respondents are born somewhere between 1975 and 1995 (66.7%), there is also a significant percentage of people born between 1955 and 1974 (29.2), since we purposely selected them in order to obtain the needed diversity for hypotheses testing. Only, 4.1% of respondents are born in the period before 1954. This data show that the mean age of the respondents is 37 and the standard deviation is 11.36. Almost all of the respondents (96.3%) are Macedonians by nationality, with only 9 respondents from other nationalities (3.8%).

The level of education is examined by five different categories ((1) elementary school or less, (2) 3- or 4– year vocational school, (3) secondary school, (4) junior college and (5) university education or more. Most of the respondents (56.7%) have university education or more, followed by those with secondary school (30.4%). Only 2.5% of the respondents have elementary school or less. According to the work status, 40.8% of the respondents are employed on non-management positions, 17.9% are unemployed and 10.8% are self-employed.

According to the place of residence, although most of the respondents live in villages or cities smaller than 10 000 habitants (42.1%), there is also big percentage of respondents who live in big cities with more than 100 000 habitants (35%). Almost half of them (52.9%) are in the East Region, while others are from Skopje (30%) and the South-eastern region (8.3%). The number of respondents from Polog and Vardar is significantly lower.

The questionnaire further focuses on estimating the number of members in a household and on the household's monthly income compared to the Macedonian average. Most of the respondents live in households of four (42.9%) or three (27.9%) members. The majority of them have an average income (58.3%), and 30.4% estimate their income as being below average. 42.9% of the respondents living in households with average income, estimate it as being slightly below average, 30.7 % as exactly average and 26.4% slightly above average.

3.2 Statistical analysis

This section presents the statistical analysis of the constructs studied. The reliability and validity of the measurement scales is first demonstrated after what the descriptive statistics of each of the constructs are outlined. That provides basis for the actual hypotheses testing.

3.2.1 Reliability and validity of the measurement scales

All of the constructs we measured are based on scales previously used in the literature. In this part of the thesis we test the reliability and validity of those scales, by performing exploratory *Factor Analysis* and by computing the *Cronbach's Alpha Coefficient*, which will help us determine whether the used scales are reliable and useful for measuring the specific constructs developed.

The *Factor Analysis* determines if the variables measuring a single construct are uncorrelated and not redundant, so that they account for most of the variance in the data set (Jolliffe, 2002, p. 1). Table 3 presents factor loadings for consumer ethnocentrism, whereas Table 4 presents factor loadings for product judgments and willingness of domestic and foreign product purchase. All of the items of the constructs are presented together with their labels, with a purpose of clarifying the obtained results.

Table 3. Factor Loadings and reliability for consumer ethnocentrism

CONSTRUCT (FACTOR)	ITEM	FACTOR LOADING	CRONBACH'S ALPHA
Consumer ethnocentrism	Macedonians should not let other countries get rich off us – CET1	0.648	
	Macedonians, who buy mainly foreign-made products, hurt the Macedonian economy and cause unemployment – CET2	0.799	
	It may cost me more in the long run but I prefer to buy products made in Macedonia – CET3	0.807	0.765
	We should buy from foreign countries only those products that we cannot obtain within Maced. – CET4	0.810	

Table 4. Factor Loadings and Reliability for Product Judgments and Willingness of Domestic and Foreign Product Purchase

CONSTRUCT (FACTOR)	ITEM		FACTOR LOADING	CRONBACH'S ALPHA
Product judgements (apparel products)	Apparel products from (country) usually offer good value for the money – QuaAp(Country)_1	Macedonia	0.787	
		Greece	0.873	
		China	0.706	
	Apparel products from (country) are generally of high quality – QuaAp(Country)_2	Macedonia	0.795	
		Greece	0.858	
		China	0.803	0.807 (Macedonia)
	Apparel products from (country) are generally better that the same products originating from other countries – QuaAp(Country)_3	Macedonia	0.747	
		Greece	0.851	0.912 (Greece)
		China	0.785	
	Apparel products from (country) seem to be satisfactory – QuaAp(Country)_4	Macedonia	0.742	0.770 (China)
		Greece	0.896	
		China	0.787	
	Apparel products from (country) are generally cleverly designed and attractive – QuaAp(Country)_5	Macedonia	0.704	
		Greece	0.821	
		China	0.598	
Product judgements (tourism services)	Tourism services from (country) usually offer good value for the money – QuaTur(Country)_1	Macedonia	0.810	
		Greece	0.861	
		Turkey	0.891	
	Tourism services from (country) are generally of high quality – QuaTur(Country)_2	Macedonia	0.854	
		Greece	0.915	
		Turkey	0.929	
	Tourism services from (country) are generally better that the same products originating from other countries – QuaTur(Country)_3	Macedonia	0.676	0.857 (Macedonia)
		Greece	0.812	0.923 (Greece)
		Turkey	0.867	0.936 (Turkey)
	Tourism services from (country) seem to be satisfactory – QuaTur(Country)_4	Macedonia	0.815	
		Greece	0.898	
		Turkey	0.908	
	Tourism services from (country) are generally cleverly designed and attractive – QuaTur(Country)_5	Macedonia	0.840	
		Greece	0.885	
		Turkey	0.866	

continued

CONSTRUCT (FACTOR)	ITEM		FACTOR LOADING	CRONBACH'S ALPHA
Willingness of domestic product purchase (apparel products)	I am willing to buy apparel products from (country) – WIPapMaced_1	Macedonia	0.758	*0.354* / 0.733 if Item 4 deleted
	It is very likely that I will buy apparel products from (country) – WIPapMaced_2	Macedonia	0.789	
	Whenever I have the possibility to choose, I prefer to buy apparel products from (country) – WIPapMaced_3	Macedonia	0.807	
	Generally I avoid buying apparel products from (country) – WIPapMaced_4	Macedonia	-0.559	
Willingness of foreign product purchase (apparel products)	I am willing to buy apparel products from (country) – WIPap(Country)_1	Greece	0.887	*0.553 (Greece)* / 0.824 if Item 4 deleted
		China	0.903	
	It is very likely that I will buy apparel products from (country) – WIPap(Country)_2	Greece	0.814	
		China	0.844	
	Whenever I have the possibility to choose, I prefer to buy apparel products from (country) – WIPap(Country)_3	Greece	0.862	*0.333 (China)* / 0.821 if Item 4 deleted
		China	0.795	
	Generally I avoid buying apparel products from (country) – WIPap(Country)_4	Greece	-0.320	
		China	-0.483	
Willingness of domestic product purchase (tourism services)	I am willing to spend holidays in (country) – WIPtrMaced_1	Macedonia	0.840	*0.284* / 0.737 if Item 4 deleted
	It is very likely that I will spend holidays in (country) the next year – WIPtrMaced_2	Macedonia	0.698	
	Whenever I have the possibility to choose, I prefer to spend holidays in (country) - WIPtrMaced_3	Macedonia	0.810	*0.284* / 0.737 if Item 4 deleted
	Generally I avoid spending holidays in (country) - WIPtrMaced_4	Macedonia	-0.677	
Willingness of foreign product purchase (tourism services)	I am willing to spend holidays in (country) – WIPtr(Country)_1	Greece	0.874	*0.492 (Greece)* / 0.789 if Item 4 deleted
		Turkey	0.861	
	It is very likely that I will spend holidays in (country) the next year - WIPtr(Country)_2	Greece	0.738	
		Turkey	0.696	
	Whenever I have the possibility to choose, I prefer to spend holidays in (country) - WIPtr(Country)_3	Greece	0.863	*0.533 (Turkey)* / 0.691 if Item 4 deleted
		Turkey	0.806	
	Generally I avoid spending holidays in (country) - WIPtr(Country)_4	Greece	-0.397	
		Turkey	-0.098	

As presented in the tables, all the factor loadings are sufficiently high and account for most of the variance in the data set of the construct. For each of the chosen constructs only one component is extracted, except for willingness to purchase tourism services from Turkey, where two components are extracted. Namely, all of the constructs except willingness to purchase tourism services from Turkey, have eigenvalues for the first factor above 2 or 3, which is quite a bit larger than the eigenvalue for the next factor (under 0.7) and which describe from 50% to 70% of the variance. Willingness to purchase tourism services from Turkey has two factors with eigenvalues above 1 that together describe around 72% of the variance. However, since the first component extracted accounts for around 47% of the variance in the observed variable, the factor loadings of that component are presented. Another important issue that is evident from the Factor analysis on the construct of willingness of domestic and foreign product purchase is the fact that the fourth item of the scale received negative factor loadings. Having in mind that the item represents general avoidance of purchase, it is a logical result, since all respondents who score high on this item tend to score low on willingness to purchase and vice versa.

The analysis proceeds with determining the reliability of the variables studied in terms of their fitness with the measured constructs. An instrument can be considered as reliable if it can measure a variable accurately and obtain consistent results over a period of time (Vehkalahti, 2000). Although, there are many techniques for measuring the reliability of a scale, the technique used here is the *Cronbach's Alpha Coefficient*, since it is widely applied with traditional scales. As a measure of reliability the *Cronbach's Alpha Coefficient* measures the internal consistency of a scale and the inter-relatedness of the items and in that way ensures the validity of the scale (Tavakol & Dennick, 2011). This coefficient ranges between 0 and 1, but the closer it is to 1 the greater the internal consistency of the items in a scale is.

George and Mallery (2003) provide some general rules, when it comes to rating the reliability of a measurement instrument on the basis of the computed cronbach's alpha coefficient:

$\alpha > 0.9$ – Excellent
$0.9 > \alpha > 0.8$ – Good
$0.8 > \alpha > 0.7$ – Acceptable
$0.7 > \alpha > 0.6$ – Questionable
$0.6 > \alpha > 0.5$ – Poor
$\alpha < 0.5$ – Unacceptable

As presented in Table 3, Consumer ethnocentrism shows an acceptable internal consistency, with an alpha value of 0.765. This proves that the scale is reliable and all of its items measure the same general construct.

The scales measuring product judgments for the two product categories from the four different countries are all reliable, with alpha coefficients scoring from 0.770 to 0.936. The only scales

with poor and unacceptable alpha coefficient are the scales measuring the willingness of domestic and foreign product purchase. However, having in mind that the scale(s) encompass an item which is negatively correlated with the remaining three items, the reliability of those scales was tested once again, by computing cronbach's alpha coefficient for the scale if the uncorrelated item (Item 4 - Generally I avoid spending holidays/buying apparel in/from (country)) is deleted. The SPSS allowed us to do that and demonstrate that if we delete item 4, the reliability of the scales increases in a range from 0.691 to 0.824, which is an acceptable and good reliability of a scale (see Table 4). Thus, for the purpose of further analyses, we disregard Item 4 and exclude it from the scale.

Having in mind that all the scales used in this research are taken from the literature, their validity and capacity to measure exactly the constructs they were built to measure, have been demonstrated in a number of studies, which is why we consider them valid and use them for further analysis in order to come up with a final conclusion and answer the basic questions of the thesis.

3.2.2 Descriptive statistics

Before going into the section for hypotheses testing, we provide an overview and present the main findings obtained, by using the descriptive statistics procedure of the SPSS. Composite scale, mean and standard deviation of each of the constructs are computed, all for the purpose of testing the proposed hypotheses.

As already mentioned *consumer ethnocentrism* is measured with the shortened version of the CETSCALE originally developed by Sharma & Shimp (1987). The scale is consisted of four items measured on a 7-point Likert scale. Namely, respondents evaluate statements from 1 (strongly disagree) to 7 (strongly agree). In order to determine the level of ethnocentrism among Macedonian consumers, average scores are calculated. If the respondents score in the top half of the CETSCALE (5, 6 or 7) they are characterized as ethnocentric and vice versa. According to this, with an average composite scale of 5.03 and standard deviation of 1.756, Macedonians are consumer ethnocentric. Since we use 7-point Likert scale, a scale range between 4 and 28 can be produced for a 4-item scale. The mean score of our CETSCALE is 20.1, which shows the high ethnocentric tendencies of Macedonian consumers. However, the standard deviation reveals that not all Macedonian consumers are uniformly ethnocentric, which gives place for hypotheses testing. Macedonian people mostly agree with the statement that we should buy from foreign countries only those products we cannot obtain within Macedonia (5.25) but they also agree somewhat with the other three statements. Table 5 provides descriptive statistics on the items measuring consumer ethnocentrism, their means and standard deviations, as well as the composite scores for the construct of consumer ethnocentrism.

Table 5. Descriptive Statistics of Consumer Ethnocentrism

CONSTRUCT	SCALE ITEM	MEAN	STANDARD DEVIATION
Consumer ethnocentrism	Macedonians should not let other countries get rich off us.	4.87	1.791
	Macedonians, who buy mainly foreign-made products, hurt the Macedonian economy and cause unemployment.	5.00	1.803
	It may cost me more in the long run but I prefer to buy products made in Macedonia.	4.98	1.640
	We should buy from foreign countries only those products that we cannot obtain within Macedonia.	5.25	1.788
	Composite scale	**5.03**	**1.756**

Quality perceptions or *product judgments* are measured for each of the two products and for each of the countries in question. Product judgments of Macedonian apparel products, result in a composite mean of 4.93, which means that Macedonians see the products from their own country as being satisfactory, cleverly designed and attractive, with high quality and better than the same products from other countries. When it comes to the quality perceptions of the apparel products from Greece, Macedonian consumers are undecided (with a composite mean of 3.94) and they only partially agree that Greek products are satisfactory (mean value of 4.26) and cleverly designed and attractive (mean value of 4.10). The quality of Chinese apparel products is estimated as being low, with a mean value of 2.75. Macedonians cannot decide whether their own country's tourism services are of high quality, which is indicated by the composite mean value of 3.99. Namely, they evaluate Macedonian tourism services as partially satisfactory (mean value of 4.59), cleverly designed and attractive (mean value 4.42), but do not agree that they are better than the same products originating from other countries (mean value of 3.18). Tourism services from Greece and Turkey are perceived as good value for the money, satisfactory, attractive and generally of high quality. The only thing than Macedonians cannot make a decision about, is whether tourism services from Greece and Turkey are better than the same services from other countries.

The *willingness of domestic product purchase* indicates whether Macedonians are willing to buy Macedonian tourism services and clothing products. The computed composite mean, for the willingness of buying Macedonian clothing products, of 4.93 indicates that Macedonians agree somewhat with the statements that there are willing to buy their domestic clothing products and that they even prefer them and are likely to buy them. Regarding the domestic tourism services, with a composite mean value of 4.68, Macedonians agree somewhat with the statements that they are willing to spent holidays in Macedonia, are likely to spend their holidays there the next year and when given a choice they prefer Macedonia as a vacation destination.

The *willingness of foreign product purchase* indicates whether Macedonians are prone to buying foreign clothing products and tourism services. The results from the descriptive statistics analysis and the composite mean value of 3.73 reveal that Macedonians are undecided when it comes to their willingness of purchasing Greek clothing products, as opposed to their willingness of purchasing Chinese clothing products. Namely, the composite mean value of 2.38 indicates that Macedonians are not willing to buy clothing products originating from China. If we examine the willingness of purchasing foreign tourism services, we can see that with composite mean values of 3.78 (for services from Greece) and 4.18 (for services from Turkey), Macedonians are undecided if they are willing to purchase those services and they somewhat disagree with the statement that they are likely to spend holidays in Greece or Turkey. This analysis reveals an interesting pattern showing that Macedonians are undecided whether they are willing to buy clothing products from Greece and tourism services from Greece and Turkey, but they do know that they are not willing to buy apparel products from China.

The descriptive statistics on product judgments or the quality perceptions, willingness of domestic product purchase and willingness of foreign products purchase are presented in Table 6. Besides the mean and the standard deviations of the items comprising it, each construct is explained by its composite value, which helps in delivering one general conclusion about the construct itself. The descriptive statistics presented in the outlined tables provide a basis for the actual hypotheses testing in the next section.

Table 6. Descriptive Statistics for Product Judgments, Willingness of Domestic Product Purchase and Willingness of Foreign Product Purchase

CONSTRUCT	SCALE ITEM		MEAN	STANDARD DEVIATION
Product judgements (apparel products)		Country		
	Apparel products from (country) usually offer good value for the money.	Macedonia	5.11	1.560
		Greece	3.97	2.052
		China	2.87	1.927
	Apparel products from (country) are generally of high quality.	Macedonia	5.11	1.520
		Greece	3.86	1.987
		China	2.03	1.210
	Apparel products from (country) are generally better that the same products originating from other countries.	Macedonia	4.48	1.697
		Greece	3.52	1.829
		China	2.15	1.385
	Apparel products from (country) seem to be satisfactory.	Macedonia	5.41	1.237
		Greece	4.26	1.950
		China	3.22	1.831

Table continues

continued

CONSTRUCT	SCALE ITEM		MEAN	STANDARD DEVIATION
Product judgements (apparel products)	Apparel products from (country) are generally cleverly designed and attractive.	Macedonia	4.53	1.644
		Greece	4.10	1.920
		China	3.50	1.903
	Composite scale	**Macedonia**	**4.93**	**1.532**
		Greece	**3.94**	**1.948**
		China	**2.75**	**1.651**
Product judgements (tourism services)	Tourism services from (country) usually offer good value for the money.	Macedonia	3.79	1.782
		Greece	4.32	2.004
		Turkey	4.52	2.379
	Tourism services from (country) are generally of high quality.	Macedonia	3.96	1.582
		Greece	4.31	1.930
		Turkey	4.37	2.340
	Tourism services from (country) are generally better that the same products originating from other countries.	Macedonia	3.18	1.738
		Greece	3.63	2.035
		Turkey	3.96	2.435
	Tourism services from (country) seem to be satisfactory.	Macedonia	4.59	1.658
		Greece	4.52	2.086
		Turkey	4.53	2.377
	Tourism services from (country) are generally cleverly designed and attractive.	Macedonia	4.42	1.713
		Greece	4.76	2.086
		Turkey	4.95	2.222
	Composite scale	**Macedonia**	**3.99**	**1.695**
		Greece	**4.31**	**2.028**
		Turkey	**4.47**	**2.351**
Willingness of domestic product purchase (apparel products)	I am willing to buy apparel products from (country).	Macedonia	5.68	1.420
	It is very likely that I will buy apparel products from (country).	Macedonia	5.44	1.743
	Whenever I have the possibility to choose, I prefer to buy apparel products from (country).	Macedonia	5.33	1.708
	Composite scale	**Macedonia**	**5.48**	**1.624**
Willingness of foreign product purchase (apparel products)	I am willing to buy apparel products from (country).	Greece	4.22	2.057
		China	2.38	1.656
	It is very likely that I will buy apparel products from (country).	Greece	3.48	2.333
		China	2.67	2.005
	Whenever I have the possibility to choose, I prefer to buy apparel products from (country).	Greece	3.48	2.088
		China	2.09	1.414
	Composite scale	**Greece**	**3.73**	**2.159**
		China	**2.38**	**1.692**

Table continues

continued

CONSTRUCT	SCALE ITEM		MEAN	STANDARD DEVIATION
Willingness of domestic product purchase (tourism services)	I am willing to spend holidays in (country).	Macedonia	4.94	1.851
	It is very likely that I will spend holidays in (country) the next year.	Macedonia	4.58	2.312
	Whenever I have the possibility to choose, I prefer to spend holidays in (country).	Macedonia	4.51	2.021
	Composite scale	**Macedonia**	**4.68**	**2.061**
Willingness of foreign product purchase (tourism services)	I am willing to spend holidays in (country).	Greece	4.43	2.119
		Turkey	5.21	1.985
	It is very likely that I will spend holidays in (country) the next year.	Greece	3.26	2.238
		Turkey	3.24	2.338
	Whenever I have the possibility to choose, I prefer to spend holidays in (country).	Greece	3.64	2.186
		Turkey	4.10	2.122
	Composite scale	**Greece**	**3.78**	**2.181**
		Turkey	**4.18**	**2.148**

Table 7. Descriptive Statistics for Actual Purchase Decision and Spent Holidays

ACTUAL PURCHASE BEHAVIOUR	ITEM	MEAN	STANDARD DEVIATION
Actual purchase decision (apparel)	In the past year how often did you purchase apparel products (e.g. shirts, coats, pants, jeans, shoes, hats, suits …) originating from Macedonia?	4.70	1.461
	In the past year how often did you purchase apparel products (e.g. shirts, coats, pants, jeans, shoes, hats, suits …) originating from Greece?	2.65	1.507
	In the past year how often did you purchase apparel products (e.g. shirts, coats, pants, jeans, shoes, hats, suits …) originating from China?	2.95	1.706
Spent holidays	In the past three years how many times did you spent your holidays in Macedonia?	3.81	2.885
	In the past three years how many times did you spent your holidays in Greece?	1.27	1.950
	In the past three years how many times did you spent your holidays in Turkey?	0.31	0.683

At the end of the section, the descriptive statistics on the actual purchase of domestic and foreign products are presented. They are expressed in a number of times Macedonian, Greek

and Chinese clothing products were bought in the last year, and the actual number of spent holidays in Macedonia, Greece and Turkey in the past three years. With a mean value of 4.70, the results indicate that in the last year Macedonians bought Macedonian clothing product often, whereas the Greek (2.65) and Chinese (2.95) clothing products were bought rarely. In terms of number of spent holidays in the past three years, the average number of spent holidays in Macedonia is around four (3.81), while Greece was visited only once in average, or rarely two times (1.27). Turkey wasn't visited by most of the respondents, while those who did visit it provide an average number of 0.31. The results are presented in Table 7.

3.3 Hypotheses testing

The basis of this research is measuring the level of consumer ethnocentrism among Macedonian consumers. It was important to demonstrate that Macedonian consumers do generally hold ethnocentric tendencies (see Table 6), in order to be able to work on the hypotheses and by approving or rejecting them to draw the right conclusions.

In order to test the formulated hypotheses, the activity of processing the data is helped by the following statistical procedures: measures of central tendency, measures of variability, t-test, ANOVA and Pearson correlation coefficient. Each of the hypotheses is tested and a conclusion is generated regarding their acceptance of rejection. The correlation analysis applied in the procedure of processing the data shows significant connection between some of the variables subject of this research. The application of the t-test on differences between the arithmetical means shows significant disparities between the arithmetical means of different groups of respondents. The hypotheses are tested on the basis of the presented tables in Appendix F.

The first two sets of Hypotheses (I (a,b) and II(a,b)), are designed to determine the relationship between the level of consumer ethnocentrism and the willingness of purchasing domestic versus foreign tourism and clothing products among Macedonians. The results are explained below.

Hypothesis Ia: Consumer ethnocentrism will be positively correlated with the purchase of domestic tourism products.

With the help of the Pearson's correlation coefficient it was established that there is a positive and a significant (Sig .002) relationship (r=.200, p<.01) between the level of consumer ethnocentrism and the willingness of purchasing Macedonian tourism services. This means that higher levels of consumer ethnocentrism among Macedonians make them more willing and likely to spend their holidays in Macedonia in the next year and if given a choice they prefer spending holidays in Macedonia. The results presented in Appendix F completely approve the proposed Hypothesis Ia, concluding that consumer ethnocentrism is positively correlated with the willingness of purchasing domestic products.

Hypothesis Ib: Consumer ethnocentrism will be negatively correlated with the purchase of foreign tourism products.

To test this hypothesis a Pearson's correlation coefficient was applied on the data referring to Greece and Turkey. With the help of the coefficient it was found that there is a negative significant relationship (Sig .010) between the level of consumer ethnocentrism and the willingness of purchasing tourism services from Greece, meaning that the level of consumer ethnocentrism among Macedonian consumers affects their willingness to buy Greek tourism services ($r=.167$, $p<.01$). When it comes to purchasing tourism products from Turkey, there was no significant relationship found (Sig .404), although the more ethnocentric Macedonian consumers express negative tendency towards Turkey's tourism services, which is shown by the negative Pearson's coefficient (-.504). The presented results in Appendix F partly approve Hypotheis Ib, meaning that consumer ethnocentrism of Macedonians is negatively correlated with the purchase of Greek tourism products, which is not the case with the same services from Turkey, although there is a negative tendency towards those products too.

Hypothesis IIa: Consumer ethnocentrism will be positively correlated with the purchase of domestic clothing products.

The results from the Pearson's correlation coefficient show that there is a positive and a significant relationship (Sig .000) between the level of consumer ethnocentrism and the willingness of purchasing clothing from Macedonia ($r=.416$, $p<.01$). This also means that the consumer ethnocentrism will make it more probable that Macedonians will buy clothing products from Macedonia and if given a choice they will choose Macedonian clothing products. This completely approves the proposed Hypothesis IIa, concluding that the consumer ethnocentrism is positively correlated with the willingness of purchasing domestic products.

Hypothesis IIb: Consumer ethnocentrism will be negatively correlated with the purchase of foreign clothing products.

To approve or reject the proposed hypothesis, a Pearson's correlation coefficient was applied on the data referring to Greece and China. With the help of the coefficient (-.605), it was established that there is a negative tendency between the level of consumer ethnocentrism and the willingness of purchasing clothing from Greece, but the relationship is statistically not-significant (Sig .316). When it comes to measuring the same dimensions for China, significant relationships (Sig .000) were found ($r=.268$, $p<.0.1$), leading to the conclusion that higher levels of consumer ethnocentrism make it less probable that Macedonians will buy apparel from China. The presented results partly approve Hypothesis IIb, meaning that consumer ethnocentrism of Macedonians is negatively correlated with the purchase of Chinese clothing products, which is not the case with Greece, although there is a negative tendency towards those products too.

The third set of hypotheses (III a,b,c,d) were designed to determine the relationship between the level of consumer ethnocentrism and the socio-demographic characteristics of consumers in Macedonia. The results are explained below.

Hypothesis IIIa: Consumer ethnocentrism varies across the observed age groups of consumers.

In order to determine the significance of the differences between the respondents from different age groups, the ANOVA test was conducted and with a significance level of 0.018 it was concluded that there are significant differences in the level of ethnocentrism among the consumers from different age groups (F=3.059, p<.05). After the ANOVA, to see among which age groups there are differences regarding their level of consumer ethnocentrism, a PostHoc LSD Test was done. It was found that the older respondents do express higher scores of ethnocentrism, as there are significant differences between the younger and the older groups of consumers (ranging from significance level of .013 to .020). This leads to complete approval of the proposed Hypothesis IIIa, as outlined in Appendix F.

Hypothesis IIIb: Consumer ethnocentrism varies depending on the gender of the consumers.

The Hypothesis IIIb, was tested with the T-test for determining the significance of the differences between the compared groups – males and females. With a significance level of 0.072 (which is above the required level of 0.05) it was established that there are no statistically significant differences between the respondents with different gender, when it comes to their level of consumer ethnocentrism. These results reject the proposed Hypothesis IIIb, leading to the conclusion that consumer ethnocentrism of Macedonians is not related and does not vary depending on their gender.

Hypothesis IIIc: Consumer ethnocentrism varies across the observed income levels of consumers.

The ANOVA for determining the significance of the differences was next applied, in order to determine if there are differences regarding the level of consumer ethnocentrism between the respondents with different income levels (below average, average and above average), With a significance level of 0.003 (which is below the required level of 0.01) the test showed that there are statistically significant differences between the three groups compared and their level of consumer ethnocentrism (F=5.904, p<.01). After determining that there are statistically significant differences among the groups, a PostHoc LSD Test was done, where it was established that consumers with higher levels of income demonstrate lower scores of ethnocentrism, as can be seen in Appendix F. This approves the Hypothesis IIIc completely.

Hypothesis IIId: Consumer ethnocentrism varies across the observed educational levels of consumers.

In order to determine if there were differences between the respondents with different levels of education and their level of consumer ethnocentrism, once again the ANOVA for determining the significance of the differences was applied. With a significance level of 0.013 the test showed that there are statistically significant differences among the five compared groups and their level of consumer ethnocentrism (F=3.256, p<.01). The PostHoc LSD Test further showed that consumers with lower education levels demonstrate higher ethnocentrism scores, which completely approves the proposed Hypothesis IIId.

The next sets of hypotheses (IVa and IVb) refer to the relationship between the level of consumer ethnocentrism and the perceived quality of domestic versus foreign products.

Hypothesis IVa: Consumer ethnocentrism is positively correlated with the perceived quality of domestic tourism products.

The Pearson's correlation coefficient showed that the consumer ethnocentrism of Macedonians is positively and significantly related (Sig .001) with the perceived quality of tourism products (r=.218, p<.01). In other words, this means that consumers with higher ethnocentrism levels consider tourism services from Macedonia as good value for the money, think that they are generally of high quality and seem to be satisfactory and attractive to them. The results approve the Hypothesis IVa, which shows that higher consumer ethnocentrism leads to greater perceived quality of domestic tourism products.

Hypothesis IVb: Consumer ethnocentrism is positively correlated with the perceived quality of domestic clothing products.

To be able to test the next hypothesis, the Person's correlation coefficient was calculated again. The results showed that the level of consumer ethnocentrism is positively and significantly (Sig .000) related with the dimensions measuring quality of domestic clothing products. This means that consumers with higher ethnocentrism levels consider the clothing products from Macedonia as being good value for the money, think that they are generally of high quality, seem to be satisfactory, are generally attractive and better that the same products originating from the other two countries (r=.325, p<.01). This completely approves the proposed Hypothesis IVb, which once again shows that higher levels of consumer ethnocentrism, leads to greater perceived quality of domestic products.

The fifth and sixth hypotheses (V and VI) refer to the relationship between the perceived quality of domestic products (tourism and clothing) and the actual purchase behaviour regarding those products. The results are presented below.

Hypothesis V: The perceived quality of the domestic tourism products will be positively correlated with their actual purchase.

With the help of the ANOVA it was established that there are no statistically significant differences between the perceived quality of domestic tourism services and the actual purchase of domestic or foreign services (Sig .713 and Turkish Sig .940). In other words, even if Macedonians perceive Macedonian tourism services as being of higher quality there is no statistically significant difference which will show that they have used the domestic tourism services more in comparison with the services from Greece and Turkey. Thus, the results outlined in Appendix F, reject the Hypotheses V.

Hypothesis VI: The perceived quality of the domestic clothing products will be positively correlated with their actual purchase.

The ANOVA was calculated to test this hypothesis. The results did show significant differences (Sig .003) between the quality perceptions of the domestic products and their actual purchase (F=2.060, p<.05). However, the PostHoc test revealed that although progressive the differences are not linear, meaning that it is not approved nor rejected that those who consider domestic products as being of higher quality differ in their purchase of domestic products, when compared to those who consider them as low quality products. Thus, Hypothesis VI, cannot be confirmed.

The conclusion from the obtained results, presented in Appendix F and the rejection of the proposed hypotheses (V and VI) is that quality perception of the domestic products does not influence the actual purchase behavior of Macedonians.

4 DISCUSSION

4.1 Interpretation of results

The findings from our analysis indicate that Macedonian consumers are ethnocentric when they make purchasing decisions. However, their level of consumer ethnocentrism and its impact on either domestic or foreign product purchase varies and is dependent on different socio-demographic and situational factors.

The level of consumer ethnocentrism affects the willingness of purchasing domestic tourism and clothing products positively, which means that more ethnocentric Macedonian consumers are more willing to purchase domestic products. On the other hand, consumer ethnocentrism also generally affects the purchase of foreign products too, but this time negatively. However, the results reveal one pattern which shows that the impact of consumer ethnocentrism on the purchase of foreign products varies with the country in question. Namely, it is clearly showed that consumer ethnocentrism negatively affects the purchase of tourism products from Greece

and clothing from China, but does not have statistically significant impact when it comes to purchasing tourism product from Turkey or clothing from Greece, although there exists a negative tendency towards those products. These results allow us to generally conclude that consumer ethnocentrism in Macedonia is one of the factors driving the purchase of domestic and foreign products, although the effects on the foreign products can be overcome by even more powerful factors that yet need to be researched and examined.

Another important dimension of our research is the impact of consumers' socio-demographic characteristics on the level of their ethnocentrism. The results of the performed analysis show significant relationships between some of the socio-demographic characteristics of the consumers and their ethnocentrism. The age, income level and the level of education all have statistically significant relationship with the level of consumer ethnocentrism. The analysis reveals that older consumers, consumers with lower income levels and less educated consumers are consumer ethnocentric, regardless of their gender.

The last part of the analysis focuses on measuring the relationship between consumer ethnocentrism and the perceived quality of domestic products. The results demonstrate that the level of consumer ethnocentrism has a positive impact on the perceived quality of domestic products, which means that higher levels of consumer ethnocentrism lead to greater perceived quality of domestic tourism and clothing products. However, although as consumer ethnocentric Macedonians regard domestic products as being of high quality, the analysis demonstrates that quality perception has no impact on the actual purchase of tourism or clothing. This leads to the fact that consumer ethnocentrism has an impact on preferring domestic instead of foreign products, but an impact not driven by the quality perceptions.

4.2 Managerial Implications

Researching the level of consumer ethnocentrism in Macedonia can be very important, especially if we take into consideration that it is a transitional economy where this kind of research has not received much of attention yet. As part of the West Balkan, Macedonia offers many opportunities for international expansion and this research is one on the basic studies that can help both, foreign and domestic companies (the first to enter the market and the second to fight the increased foreign competition).

The findings of the analysis hold implications for both the domestic and foreign marketing managers. Generally, the insight into the level of consumer ethnocentrism and its effects in Macedonia can help create the right segmenting and positioning strategies and deliver the right communication in order to reach the desired target segment. Due to the high consumer ethnocentrism, a domestic producer in Macedonia can fight a foreign competitor and win over customers by stressing the domestic origin and value of the product. A foreign company, on the other side, should carefully plan their communication strategy when entering the Macedonian

market, as the high consumer ethnocentrism of Macedonians can result in rejecting their products, regardless of their characteristic.

Although this can be generally applicable, it is important that the different socio demographic characteristics of the targeted segments are taken into consideration, since some of them are powerful antecedents of consumer ethnocentrism in Macedonia. The companies operating on the Macedonian market should especially devote attention to the age, education and income on the consumers. If the target market are the old people, than the Macedonian origin of the product will definitely have an influence on the purchasing decision as these people are the most consumer ethnocentric. The same would apply for the less educated people and those with lower income. For these segments domestic managers can use different associations between their products and national symbols and they can use patriotic themes (Dmitrovic et al., 2009). Foreign managers, on the other side, should try to focus consumers' attention on other facts or characteristics, not connected with the origin of the product, nor with the fact that the product is produced elsewhere and not in the home country. It is advisable that these companies take into consideration the localization strategy, and by cooperating with Macedonian suppliers create an affiliation with the domestic economy (Dmitrovic et al., 2009).

When it comes to targeting the younger segments in Macedonia, who are well educated, it is important to note that stressing the domestic origin of the product will not help them make their decision in favor of the domestic alternative. For these segments, due to their lower levels of consumer ethnocentrism, the managers of local Macedonian companies cannot rely exclusively on emphasizing the Macedonian origin of the product.

The present analysis on consumer ethnocentrism in Macedonia can further help foreign marketing managers choose the optimal market entry mode. Since, the level of consumer ethnocentrism in Macedonia is relatively high it may be advisable that foreign companies entering the market use the more cooperative entry modes, like joint ventures or strategic alliances with local companies, in order to overcome consumer ethnocentrism (Rybina, et al., 2010;).

The present study and the outlined results are very important for international marketing managers. They can help them reduce the business risk when entering the market in Macedonia and effectively manage their market entry, which is especially convenient if we take into consideration that Macedonia offers plenty of business opportunities and has a perspective of above-average economic growth rates and development.

4.3 Contribution, limitations and caveats

This research holds significant contributions for the existing consumer ethnocentrism literature. Namely, this study is the only study of its kind performed on the territory in Macedonia. As a first study, it offers plenty of information useful not only for domestic marketers but also for

international companies that want to enter the Macedonian market. It is a study that can help domestic companies resist the competition, but also a study that can help foreign competitors gain easier access on the Macedonian market.

Another important contribution of this research is that it is conducted on the territory of one transitional country (Macedonia), which is especially important having in mind the aforementioned fact that these kinds of studies are not very often in transitional countries and every additional study on such a territory is a significant contribution to the existing literature.

The third contribution is regarding the international marketing managers who strive for additional internationalization and look for a business opportunity in the fast growing West Balkan region. As mentioned, this study can open and lessen their way to further international expansion and help them gain easier access to the consumer market in Macedonia.

The most important contribution of this study and the performed research is that it clearly demonstrates that consumer ethnocentrism does have an influence on the purchase decision of Macedonian consumers. This implies that there is another factor worth considering when doing or planning to do business in Macedonia. Namely, despite the often used factors for researching the market, when operating on the Macedonian market, marketing managers need to incorporate consumer ethnocentrism in their analysis as it is very important factor and a factor that can make a difference when it comes to choosing the right product for consumption.

Despite of the significance on this study and its already mentioned contributions, it is important to point out that there are some limitations regarding the research performed and the generalizability of the obtained results. The first limitation concerns the sample of the respondents chosen for providing the answers to the questions in the constructed questionnaire. Around 250 respondents comprised the sample which was conveniently chosen in order to provide the socio-demographic diversity needed to test the proposed hypotheses. The sample was mostly comprised by people from two different cities in the North and East region of the country, whereas the West and the South region did not get much of attention. The problem with this convenient sample is that the generalizability of the results can be very limited having in mind the random selection and the question of the representativeness of the sample. There exists a probability that these randomly selected people do not represent the whole Macedonian population well.

Another important limitation is that only two product categories were used. Namely, tourism and clothing were chosen for this research due to their impact on the Macedonian economy and its import, as well as their impact on the employment. This focus on only two product categories and using them as representatives for all products on the Macedonian market can lead to wrong conclusions and can deviate marketing managers away from the right strategy. That is why there is a need for additional research and as Yelkur et al. (2006) point out it must

be seen whether the results from this study hold for other products as well, especially those products which have traditionally favorable associations with other foreign countries.

The third limitation of this study is that only three different countries were used. They were also selected on the basis of their impact and share in the domestic import, but cannot be hold as representative for all other foreign countries. As outlined before, all the results did show a negative tendency towards the foreign products, but some of them were not statistically significant which is another supporting factor that this analysis needs to be widened and to incorporate more countries to see if the obtained result can be generalized across all countries.

The last limitation of the study can be that two of the Hypotheses (Hypothesis Ib and IIb) were only partially supported. Having in mind that these hypotheses examined the impact of consumer ethnocentrism on the purchase of foreign products and that a negative tendency towards those foreign products was indeed proven, there is a need to test them additionally in order to come up with the right conclusion and the reason for their partial approval. In other words, there exists a need for further research into this area.

CONCLUSION

Consumer ethnocentrism is a concept relevant for the field of marketing, consumption and purchase behaviour. It is a precondition that gives the individual a sense of identity and indicates which purchase behaviour is acceptable and which is not. Consumer ethnocentrism creates favoritism towards the home country and the products produced there and it is a concept widely used to explain human behavior within and among different and diverse cultures. However, its intensity do varies among different counties and even among different regions in the same country, due to many different factors who act as antecedents of consumer ethnocentrism in each different national or cultural setting. Cultural openness and conservatism are regarded as the two most influential social antecedents of consumer ethnocentrism, followed by world mindedness and patriotism, which do not necessarily have the same effect on the ethnocentrism of consumers, and their impact as antecedents depends on the cultural setting and the country in question. Consumers' characteristics also act as demographic antecedents of consumer ethnocentrism, but their impact is not consistent across all the countries.

The conducted study and the obtained results clearly demonstrate that Macedonians are generally ethnocentric consumers. However, their level of ethnocentrism do varies and is dependent on their socio-demographic characteristics. As postulated, age, income and education are found to be the three most influential demographic antecedents of consumer ethnocentrism. This would mean that the older, less educated Macedonians with less income are most consumer ethnocentric.

According to the literature, the positive relationship between age and ethnocentrism may be attributed to the increased cosmopolitanism and changed socio-cultural beliefs of younger consumers and their homogenization triggers on one side, and on patriotism of the older consumers on the other.

Income, along with gender, is a demographic antecedent of consumer ethnocentrism which shows the most inconsistent results across countries and nations. In Macedonia, the relationship between income and consumer ethnocentrism is a negative one, meaning that higher income leads to lower ethnocentrism and vice versa. The literature attributes this to the fact that people with higher income are considered more prone to buying imported products and traveling abroad, are more culturally open and obtain a higher place on the social hierarchy.

When it comes to the gender, the present study shows that this demographic characteristic is not an antecedent and is not related to the level of consumer ethnocentrism. A negative relationship is found between the level of education and consumer ethnocentrism, meaning that less educated people in Macedonia display higher ethnocentric tendencies. The literature explains this by the logic that as individuals move to higher educational levels, they become more familiar with foreign cultures and thus exhibit less ethnocentric attitudes.

Another important aspect researched in this study is the relationship between consumer ethnocentrism and the purchase of domestic versus foreign products. The literature background demonstrated that although, ethnocentrism creates a positive link with and a moral obligation for, purchasing home-made products and negative link with the purchase of foreign products, the positive/negative relationship is not always straightforward and is dependent on other variables and factors. This is exactly the situation found in Macedonia. Namely, the more ethnocentric Macedonian consumers are, the more they will purchase domestic products, but when it comes to purchasing foreign products, the negative relationship between consumer ethnocentrism and the intended purchase of foreign products, is demonstrated only for tourism services from Greece and clothing products from China. According to our results, the purchase of products from the other countries (tourism services from Turkey and clothing products from Greece) is not dependant on the level of consumer ethnocentrism, although general negative tendencies have indeed been demonstrated. This area of the relationship between consumer ethnocentrism and foreign purchase behaviour needs to be further researched, in order to reveal the real reasons for this not-consistent relationship. Some of the factors identified in the literature as influencers on this relationship are the country-of-origin of the product, the conspicuous consumption, the product category involved or the perceived quality of the product.

Continuing from the previously researched and stated, this study also portrays the positive relationship between consumer ethnocentrism and the perceived quality of domestic products, leading to the conclusion that more ethnocentric Macedonian consumers are prone to perceive

domestic products as being of higher quality that the foreign ones. Regardless of this, the results further show that the quality perceptions of domestic products do not always play a role and do not always influence the actual purchase behaviour of consumers. That would mean that quality perception is not a factor that can impact the actual purchase of domestic or the non-purchase of foreign products among Macedonians.

All of the conclusions drawn on the basis of the acceptance or rejection of the proposed hypotheses answer the five basic questions outlined in the introduction of the thesis. A general conclusion remains that Macedonians are indeed ethnocentric consumers, with the older ones, less educated and those with less income being the most ethnocentric of all. Consumer ethnocentrism has a strong positive relationship with the purchase of domestic products, but a negative relationship with the purchase of foreign products and a relationship which can be altered by many factors that yet need to be researched. A factor that does not influence the relationship between consumer ethnocentrism and purchase of foreign products by Macedonians is definitely the perceived quality of the products, even though consumer ethnocentrism on its own has a positive impact on the product judgements and quality perception of domestic products in Macedonia. Although it is approved that Macedonians are ethnocentric consumers and some of the sources and effects of that behaviour have been revealed, this is still an area that calls for additional extensive studies, so it can be fully researched, examined and understood.

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APPENDIXES

TABLE OF APPENDIXES

Appendix A: The 17-Item Scale of Sharma and Shimp for measuring ethnocentric tendencies

Table 1. 17 - Item Scale [a]

Item	Reliability [b]
1. American people should always buy American-made products instead of imports.	.65
2. Only those products that are unavailable in the U.S. should be imported.	.63
3. Buy American-made products. Keep America working.	.51
4. American products, first, last and foremost.	.65
5. Purchasing foreign-made products is un-American.	.64
6. It is not right to purchase foreign products, because it puts Americans out of jobs.	.72
7. A real American should always buy American-made products.	.70
8. We should purchase product manufactured in America instead of letting other countries get rich off us.	.67
9. It is always best to purchase American products.	.59
10. There should be very little trading or purchasing goods from other countries unless out of necessity.	.53
11. Americans should not buy foreign products, because this hurts American business and causes unemployment.	.67
12. Curbs should be put on all imports.	.52
13. It may cost me in the long-run but I prefer to support American products.	.55
14. Foreigners should not be allowed to put their products on our market.	.52
15. Foreign products should be taxed heavily to reduce their entry into the U.S.	.58
16. We should buy from foreign countries only those products that we cannot obtain within our own country.	.60
17. American consumers who purchase products made in other countries are responsible for putting their fellow Americans out of work.	.65

[a] Response format is 7-point Likert-type scale (strongly agree = 7, strongly disagree = 1). Range of scores is from 17 to 119.

[b] Calculated from confirmatory factor analysis of data from four areas study.

Source: S. Sharma & T. Shimp. *Consumer Ethnocentrism: Construction and Validation of the CETSCALE, 1*987, pp 280-289

Appendix B: CET, its antecedents and consequences

Figure 1. CET, its antecedents and consequences
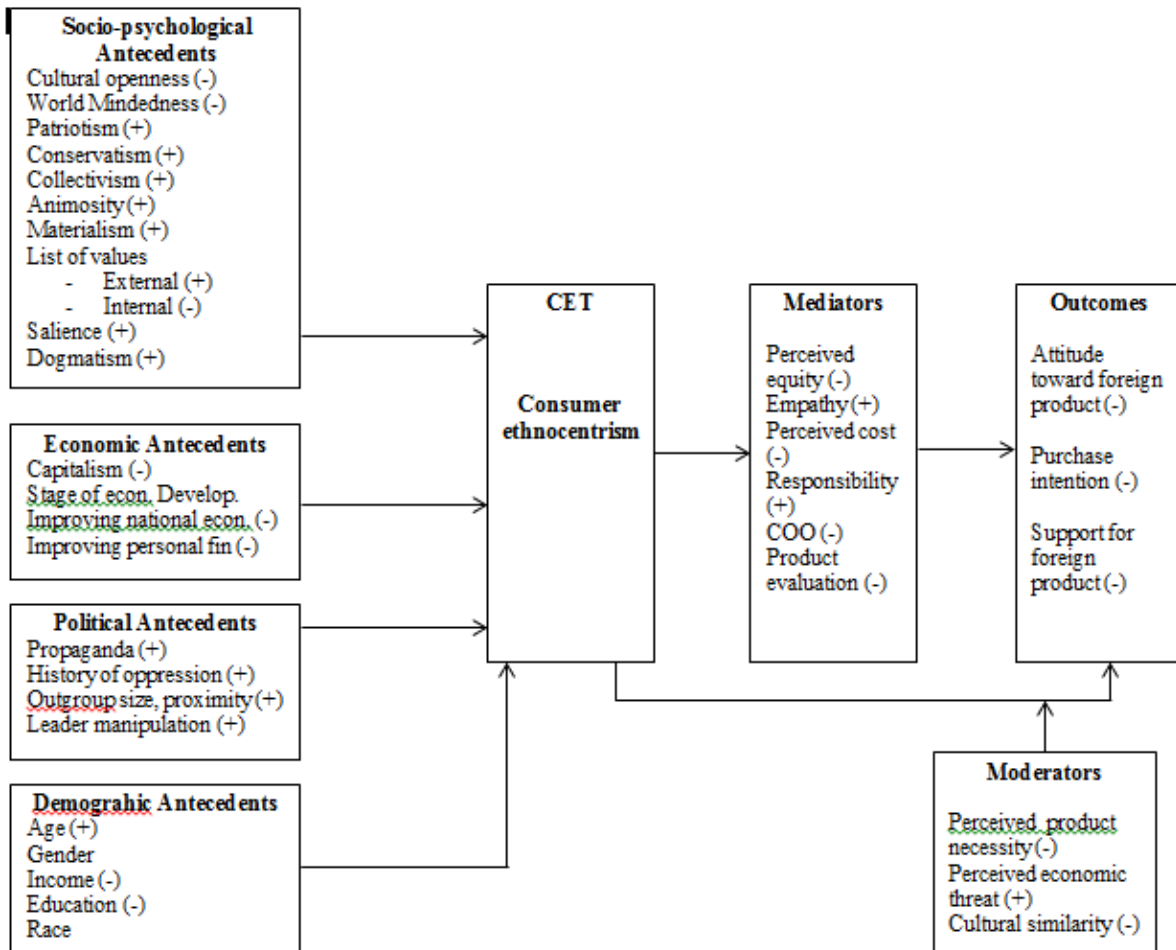
Source: N.M. Shankarmahesh. *Consumer ethnocentrism: an integrative review of its antecedents and consequences, 2006*, pp. 146-172

Appendix C: Questionnaire (English version)

QUESTIONNAIRE

I. The statements below refer to Macedonia, its economy and your feelings towards our country.

Although the statements are similar they are <u>not</u> the same. Please consider each statement separately and indicate how strongly you agree or disagree with it on a scale from 1 (strongly disagree) to 7 (strongly agree).

	Strongly disagree 1	Disagree 2	Disagree somewhat 3	Undecided 4	Agree somewhat 5	Agree 6	Strongly agree 7
1. Macedonians should not let other countries get rich off us.	◯	◯	◯	◯	◯	◯	◯
2. Macedonians, who buy mainly foreign-made products, hurt the Macedonian economy and cause unemployment.	◯	◯	◯	◯	◯	◯	◯
3. It may cost me more in the long run but I prefer to buy products made in Macedonia.	◯	◯	◯	◯	◯	◯	◯
4. We should buy from foreign countries only those products that we cannot obtain within Macedonia.	◯	◯	◯	◯	◯	◯	◯

II. The following three sets of questions refer to apparel products and tourism services from Macedonia and several foreign countries.

First we kindly invite you to <u>evaluate</u> the quality of apparel products originating from different countries.

When answering, please <u>fill in</u> the empty fields with numbers ranging from 0 to 7, with regard to the following scale:

1 – Strongly disagree
2 – Disagree
3 – Disagree somewhat
4 – Undecided
5 – Agree somewhat
6 – Agree
7 – Strongly agree
0 – I do not know

1a. **Apparel products** (e.g. shirts, t-shirts, coats, pants, jeans, shoes, hats, suits, etc.) originating from country …

	Macedonia	Greece	China
... usually offer good value for money.			
... are generally of high quality.			
... are generally better than the same products originating from other countries.			
... seem to be satisfactory.			
... are generally cleverly designed and attractive.			

Next we are interested in your <u>opinion</u> about tourism services (e.g. summer holidays, winter holidays, weekend packages, etc.) in these countries.

When answering, please <u>fill in</u> the empty fields with numbers ranging from 0 to 7, with regard to the following scale:

1 – Strongly disagree
2 – Disagree
3 – Disagree somewhat
4 – Undecided
5 – Agree somewhat
6 – Agree
7 – Strongly agree
0 – I do not know

1b. **Tourism services** (e.g. summer holidays, winter holidays, weekend packages, etc.) in country …

	Macedonia	Greece	Turkey
... usually offer good value for money.			
... are generally of high quality.			
... are generally better than tourism services in other countries.			
... seem to be satisfactory.			
... are generally attractive.			

Up to this point you shared your opinion about apparel products and tourism services from different countries. We are now interested in your <u>attitude towards purchasing</u> these products and services.

When answering, please <u>fill in</u> the empty fields with numbers ranging from 0 to 7, with regard to the following scale:

1 – Strongly disagree
2 – Disagree
3 – Disagree somewhat
4 – Undecided
5 – Agree somewhat
6 – Agree
7 – Strongly agree
0 – I do not know

2a. To what extent do you agree with the following statements regarding your willingness to buy **apparel products** (e.g. shirts, t-shirts, coats, pants, jeans, shoes, hats, suits, etc.) originating from the specified countries?

	Macedonia	Greece	China
I am willing to buy food products from this country.			
It is very likely that I will buy food products from this country in the next year.			
Whenever I have the possibility to choose, I prefer to buy food products from this country.			
Generally I avoid buying food products from this country.			

2b. To what extent do you agree with the following statements regarding your willingness to

consume **tourism services** (e.g. summer holidays, winter holidays, weekend packages, etc.) in the specified countries?

	Macedonia	Greece	Turkey
I am willing to spend holidays in this country.			
It is very likely that I will spend holidays in this country next year.			
Whenever I have the possibility to choose, I prefer to spend holidays in this country.			
Generally I avoid spending holidays in this country.			

At last we kindly ask you to consider the same products and services from Macedonia and different foreign countries. We are interested in your <u>actual purchase decisions</u>.

3a. In the <u>past year</u>, how often did you purchase **apparel products** (e.g. shirts, t-shirts, coats, pants, jeans, shoes, hats, suits,.) originating from the specified countries?

	Never	Very seldom	Seldom	Sometimes	Often	Very often	Almost always
	1	2	3	4	5	6	7
Macedonia	○	○	○	○	○	○	○
Greece	○	○	○	○	○	○	○
China	○	○	○	○	○	○	○

3b. In the <u>past three years</u>, how many times did you **spend your holidays** in …

… **Macedonia** (e.g. short vacation, long holidays, weekend packages, trips, etc.)? _____

… **Greece** (e.g. short vacation, long holidays, weekend packages, trips, etc.)? _____

… **Turkey** (e.g. short vacation, long holidays, weekend packages, trips, etc.)? _____

III. Finally, we kindly ask you to provide some information about yourself.
1. Gender:

○ Female
○ Male

2. Year of birth: 19____

3. Nationality:

○ Macedonian
○ Other (please specify): _____

4. Please specify the highest level of education you have completed.

○ Elementary school or less
○ 3- or 4-year vocational school
○ Secondary school
○ Junior college
○ University education or more

5. What is your current work status?

○ Work in household or farm
○ Self-employed
○ Employed – management position
○ Employed – non-management position
○ Unemployed
○ Retired
○ Student

6. Your place of residence (where you stay at least 3 days a week):

○ City (above 100,000 inhabitants)
○ Town (from 10,000 to 100,000 inhabitants)
○ Village (up to 10,000 inhabitants)

7. Region of your residence:

○ Eastern
○ North-Eastern
○ Pelagonia
○ Polog
○ Skopje
○ South-Eastern
○ South-Western
○ Vardar

8. Please specify the number of people living in your household: _____

9. How would you estimate your household's monthly income as compared to the Slovenian average?

○ Above average
○ Below average
○ Average

10. If you indicated that your monthly income is <u>average</u>, is it…

○ slightly above average?
○ exactly average?
○ slightly below average?

Appendix D: Questionnaire (Macedonian version)

АНКЕТА

1. Следните тврдења се однесуваат на Македонија, нејзината економија и вашите чувства кон нашата земја.

Иако постои сличност во тврдењата, сепак тие не се исти. Ве молиме разгледајте го секое тврдење поединечно и наведете колку се согласувате или не се согласувате со истото на скала од 1 (воопшто не се согласувам) до 7 (потполно се согласувам).

	Воопшто не се согласувам 1	Не се согласувам 2	Делумно не се согласувам 3	Не можам да одлучам 4	Делумно се согласувам 5	Се согласувам 6	Потполно се согласувам 7
1. Македонците не смеат да им дозволат на другите земји да се збогатуваат од нас.	○	○	○	○	○	○	○
2. Македонците кои купуваат претежно производи произведени во туѓи земји, ѝ наштетуваат на македонската економија и предизвикуваат невработеност.	○	○	○	○	○	○	○
3. Можеби ќе ме чини повеќе на подолг рок, но претпочитам да купувам македонски производи.	○	○	○	○	○	○	○
4. Од туѓите земји треба да ги купуваме само оние производи кои не можат да бидат произведени во Македонија.	○	○	○	○	○	○	○

2. Следните три групи на прашања се однесуваат на текстилни производи (облека) и туристички услуги од Македонија и неколку странски земји.

Најпрво, љубезно Ве замолуваме да го оцените квалитетот на текстилните

производи (облеката) кои потекнуваат од различни земји.

При одговарањето, Ве молиме пополнете ги празните полиња со броеви од 0 до 7, земајќи ја во предвид следнава скала:

1 – Воопшто не се согласувам

2 – Не се согласувам

3 – Делумно не се согласувам

4 – Не можам да одлучам

5 – Делумно се согласувам

6 – Се согласувам

7 – Потполно се согласувам

0 – Не знам

1а. **Текстилните производи - облеката** (на пр. блузи, маици, палта, панталони, фармерки, обувки, капи, костуми итн.) кои потекнуваат од …

	Македонија	Грција	Кина
... обично нудат добра вредност за парите.			
... генерално се со висок квалитет.			
... генерално се подобри од истите производи кои потекнуваат од други земји.			
... изгледаат задоволително.			
... генерално се вешто дизајнирани и привлечни.			

Понатаму, нè интересира вашето <u>мислење</u> за туристичките услуги (на пр. летни одмори, зимски празници, викенд аранжмани итн.) во овие земји.

При одговарањето, Ве молиме пополнете ги празните полиња со броеви од 0 до 7, земајќи ја во предвид следнава скала:

1 – Воопшто не се согласувам

2 – Не се согласувам

3 – Делумно не се согласувам

4 – Не можам да одлучам

5 – Делумно се согласувам

6 – Се согласувам

7 – Потполно се согласувам

0 – Не знам

1б. **Туристичките услуги** (на пр. летни одмори, зимски празници, викенд аранжмани итн.) во …

	Македонија	Грција	Турција
... обично нудат добра вредност за парите.			
... генерално се со висок квалитет.			
... генерално се подобри од туристичките услуги во другите земји.			
... изгледаат задоволително.			
... генерално се примамливи.			

До ова прашање го споделивте вашето мислење за текстилните производи - облеката и туристичките услуги од различни земји. Сега нè интересира вашиот <u>став за купувањето</u> на тие производи и услуги.

При одговарањето, Ве молиме пополнете ги празните полиња со броеви од 0 до 7, земајќи ја предвид следнава скала:

1 – Воопшто не се согласувам

2 – Не се согласувам

3 – Делумно не се согласувам

4 – Не можам да одлучам

5 – Делумно се согласувам

6 – Се согласувам

7 – Потполно се согласувам

0 – Не знам

2а. До кој степен се согласувате со следниве тврдења кои се однесуваат на Вашата подготвеност за купување **текстилни производи – облека,** (на пр. блузи, маици, палта, панталони, фармерки, обувки, капи, костуми итн.), кои потекнуваат од наведените земји?

	Македонија	Грција	Кина
Би сакал/а да купам текстилни производи – облека од оваа земја.			
Најверојатно ќе купам текстилни производи - облека од оваа земја во текот на наредната година.			
Секогаш кога имам можност да бирам, претпочитам да купувам текстилни производи – облека од оваа земја.			
Генерално избегнувам да купувам текстилни производи - облека од оваа земја.			

2б. До кој степен се согласувате со следниве тврдења кои се однесуваат на Вашата подготеност да користите **туристички услуги** (на пр. летни одмори, зимски празници, викенд патувања итн.) во наведените земји?

	Македонија	Грција	Турција
Би сакал/а да ги поминам празниците/одморот во оваа земја.			
Многу е веројатно дека ќи ги поминам празниците/одморот во оваа земја наредната година.			
Секогаш кога имам можност да бирам, претпочитам да ги поминам празниците/одморот во оваа земја.			
Генерално избегнувам да ги поминам празниците/одморот во оваа земја.			

Во третата група прашања љубезно Ве замолуваме да ги разгледате истите производи и услуги од Македонија и другите земји. Нè интересираат Вашите мом= ментални куповни одлуки.

3а. Во текот на <u>изминатата година</u>, колку често купувавте **текстилни производи - облека** (на пр. блузи, маици, палта, панталони, фармерки, обувки, капи, костуми итн.) со потекло од наведените земји?

	Никогаш	Многу ретко	Ретко	Понекогаш	Често	Многу често	Речиси секогаш
	1	2	3	4	5	6	7
Македонија	○	○	○	○	○	○	○
Грција	○	○	○	○	○	○	○
Кина	○	○	○	○	○	○	○

3б. Во текот на <u>изминатите три години</u>, колку пати ги **поминавте вашите празници/одмор** во …
(наведете точна бројка)

… **Македонија** (на пр. краток одмор, долг одмор, викенд аранжмани, кратки патувања, итн.)? _____

… **Грција** (на пр. краток одмор, долг одмор, викенд аранжмани, кратки патувања, итн.)? _____

… **Турција** (на пр. краток одмор, долг одмор, викенд аранжмани, кратки патувања, итн.)? _____

3. За крај, љубезно Ве замолуваме да дадете неколку информации за Вас.

1. Пол:

    ○ Женски
    ○ Машки

2. Година на раѓање: 19_____

3. Националност:

○ Македонец/ка
○ Друго (Ве молиме наведете): _____

4. Ве молиме наведете го највисокото ниво на образование кое го имате завршено.

○ Основно образование или помалку
○ Тригодишно или четиригодишно стручно образование
○ Средно образование
○ Вишо образование
○ Високо образование или повеќе

5. Кој е вашиот моментален работен статус?

○ Работа во домаќинство или на фарма
○ Самовработен
○ Вработен – раководна позиција
○ Вработен – нераководна позиција
○ Невработен
○ Пензионер
○ Студент

6. Вашето место на живеење (каде поминувате најмалку 3 дена во неделата):

○ Голем град (над 100 000 жители)
○ Мал град (од 10 000 до 100 000 жители и помалку)
○ Село (до 10 000 жители)

7. Во кој регион се наоѓа вашето место на живеење?

○ Источен
○ Северно - Источен

○ Пелагонија
○ Полог
○ Скопје
○ Југо - Источен
○ Југо - Западен
○ Вардар

8. Ве молиме наведете го бројот на членови во вашето домаќинство: _____

9. Како ги оценувате месечните примања на вашето домаќинство споредено со македонскиот просек (21.031,00 денари по вработен)?

○ Надпросечни
○ Подпросечни
○ Просечни

10. Ако наведовте дека вашите месечни примања се просечни, дали се…

○ малку над просекот?
○ точниот просек?
○ малку под просекот?

Appendix E: Demographic characteristics of the respondents

DEMOGRAPHIC CHARACTERISTICS		Frequency	Relative Frequency (%)
Gender	Male	98	40.80%
	Female	142	59.20%
Age_group	From 1995 to 1985	83	34.60%
	From 1984 to 1975	77	32.10%
	From 1974 to 1965	37	15.40%
	From 1964 to 1955	33	13.80%
	1954 and below	10	4.20%
Nationality	Macedonian	231	96.30%
	Other	9	3.80%
Education	Elementary school or less	6	2.50%
	3- or 4- year vocational school	14	5.80%
	Secondary school	73	30.40%
	Junior college	11	4.60%
	University education or more	136	56.70%
Work	Work in household or farm	13	5.40%
	Self-employed	26	10.80%
	Employed-management position	24	10%
	Employed-non-management position	98	40.80%
	Unemployed	43	17.90%
	Retired	8	3.30%
	Student	28	11.70%
Residence	City (above 100,000 inhabitants)	84	35%
	Town (from 10,000 to 100,000 inhabitants)	55	22.90%
	Village (up to 10,000 inhabitants)	101	42.10%
Region	Eastern	127	52.90%
	North-Eastern	5	2.10%
	Pelagonia	5	2.10%
	Polog	2	0.80%
	Skopje	72	30%
	South-Eastern	20	8.30%
	South-Western	8	3.30%
	Vardar	1	0.40%
Household	1 or 2 memebers	23	9.60%
	3 members	67	27.90%
	4 members	103	42.90%
	5 members and above	47	19.60%
Income	Above average	27	11.30%
	Average	140	58.30%
	Below average	73	30.40%
Ave_income	Slightly above average	37	26.40%
	Exactly average	43	30.70%
	Slightly below average	60	42.90%

Appendix F : Hypotheses output

Hypothesis Ia: The more ethnocentric Macedonian consumers are, the more they will purchase domestic tourism products.

		ScaleCONSUMER_ ETHNOCENTRISM	ScaleWIPtrMac ed_3Items
ScaleCONSUMER_ ETHNOCENTRISM	Pearson Correlation	1	.200[**]
	Sig. (2-tailed)		.002
	N	240	239
**. Correlation is significant at the 0.01 level (2-tailed).			

Hypothesis Ib: The more ethnocentric Macedonian consumers are, the less they will purchase foreign tourism products.

Pearson's Correlation Coefficient on the Relationship between the Consumer Ethnocentrism and the Purchase of Tourism Services from Greece

		ScaleCONSUMER_E THNOCENTRISM	ScaleWIPtrGre ece_3Items
ScaleCONSUMER_ ETHNOCENTRISM	Pearson Correlation	1	-.167[**]
	Sig. (2-tailed)		.010
	N	240	238
**. Correlation is significant at the 0.01 level (2-tailed).			

Pearson's Correlation Coefficient on the Relationship between the Consumer Ethnocentrism and the Purchase of Tourism Services from Turkey

		ScaleCONSUMER_ ETHNOCENTRISM	ScaleWIPtrTur key_3Items
ScaleCONSUMER_ ETHNOCENTRISM	Pearson Correlation	1	-.054
	Sig. (2-tailed)		.404
	N	240	238

Hypothesis IIa: The more ethnocentric Macedonian consumers are, the more they will purchase domestic clothing products.

		ScaleCONSUMER_ ETHNOCENTRISM	ScaleWIPapMaced_3Items
ScaleCONSUMER_ ETHNOCENTRISM	Pearson Correlation	1	.416**
	Sig. (2-tailed)		.000
	N	240	239
**. Correlation is significant at the 0.01 level (2-tailed).			

Hypothesis IIb: The more ethnocentric Macedonian consumers are, the less they will purchase foreign clothing products.

Pearson's Correlation Coefficient on the Relationship between the Consumer Ethnocentrism and the Purchase of Clothing Products from Greece

		ScaleCONSUMER_ ETHNOCENTRISM	ScaleWIPapGreece_3Items
ScaleCONSUMER_ETHNOCENTRISM	Pearson Correlation	1	-.065
	Sig. (2-tailed)		.316
	N	240	238

Pearson's Correlation Coefficient on the Relationship between the Consumer Ethnocentrism and the Purchase of Clothing Products from China

		ScaleCONSUMER_ ETHNOCENTRISM	ScaleWIPapChina_3Items
ScaleCONSUMER_ETHNOCENTRISM	Pearson Correlation	1	-.268**
	Sig. (2-tailed)		.000
	N	240	238
**. Correlation is significant at the 0.01 level (2-tailed).			

Hypothesis IIIa: The older the consumers in Macedonia are, the more consumer ethnocentric they are.

Differences among the Respondents from Different Age Groups – ANOVA

ScaleCONSUMER_ETHNOCENTRISM

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	21.431	4	5.358	3.059	.018
Within Groups	411.544	235	1.751		
Total	432.975	239			

PostHoc LSD Test on the differences between the different age groups and the level of consumer ethnocentrism

(I) Age_group	(J) Age_group	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
(1)From 1995 to 1985	From 1984 to 1975	.04604	.20939	.826	-.3665	.4586
	From 1974 to 1965	-.26091	.26159	.320	-.7763	.2545
	From 1964 to 1955	-.64011*	.27234	.020	-1.1766	-.1036
	1954 and below	-1.05753*	.44297	.018	-1.9302	-.1848
(2)From 1984 to 1975	From 1995 to 1985	-.04604	.20939	.826	-.4586	.3665
	From 1974 to 1965	-.30695	.26472	.247	-.8285	.2146
	From 1964 to 1955	-.68615*	.27534	.013	-1.2286	-.1437
	1954 and below	-1.10357*	.44482	.014	-1.9799	-.2272
(3)From 1974 to 1965	From 1995 to 1985	.26091	.26159	.320	-.2545	.7763
	From 1984 to 1975	.30695	.26472	.247	-.2146	.8285
	From 1964 to 1955	-.37920	.31686	.233	-1.0034	.2450
	1954 and below	-.79662	.47165	.093	-1.7258	.1326

table continues

continued

(I) Age_group	(J) Age_group	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
(4)From 1964 to 1955	From 1995 to 1985	.64011*	.27234	.020	.1036	1.1766
	From 1984 to 1975	.68615*	.27534	.013	.1437	1.2286
	From 1974 to 1965	.37920	.31686	.233	-.2450	1.0034
	1954 and below	-.41742	.47770	.383	-1.3585	.5237
(5)1954 and below	From 1995 to 1985	1.05753*	.44297	.018	.1848	1.9302
	From 1984 to 1975	1.10357*	.44482	.014	.2272	1.9799
	From 1974 to 1965	.79662	.47165	.093	-.1326	1.7258
	From 1964 to 1955	.41742	.47770	.383	-.5237	1.3585

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

Means plot on the relationship between the different age groups and the level of consumer ethnocentrism
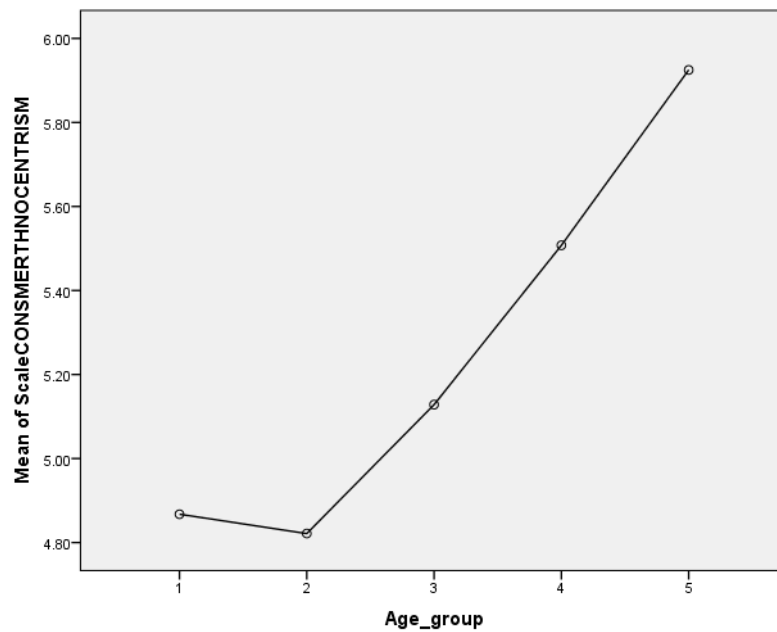
Hypothesis IIIb: Consumer ethnocentrism in Macedonia is unrelated to the gender of consumers.

T-test for determining the significance of the differences between the respondents from different gender, in relation to consumer ethnocentrism

	gender	N	Mean	Std. Deviation	t	df	Sig. (2-tailed)
ScaleCONSUMER_ETHNOCENTRISM	male	98	4.8367	1.47841	-1.809	238	.072
	female	142	5.1549	1.23510			

Hypothesis IIIc: The greater the income level of Macedonian consumers is, the lower their ethnocentrism is.

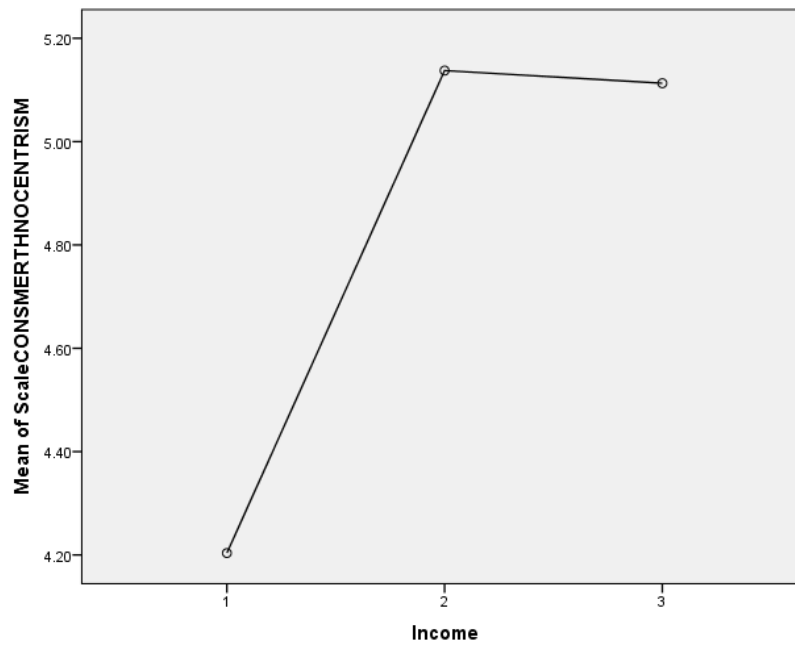*Differences among the Respondents with Different Income Levels – ANOVA*

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	20.550	2	10.275	5.904	.003
Within Groups	412.425	237	1.740		
Total	432.975	239			

PostHoc LSD Test on the differences between the respondents with different income levels and their level of consumer ethnocentrism

(I) Income	(J) Income	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
(1)Above average	Average	-.93380*	.27728	.001	-1.4800	-.3876
	Below average	-.90931*	.29714	.002	-1.4947	-.3239
(2)Average	Above average	.93380*	.27728	.001	.3876	1.4800
	Below average	.02449	.19044	.898	-.3507	.3997
(3)Below average	Above average	.90931*	.29714	.002	.3239	1.4947
	Average	-.02449	.19044	.898	-.3997	.3507

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

Means plot on the relationship between income and the level of consumer ethnocentrism

Hypothesis IIId: The higher the level of education of Macedonian consumers is, the lower their level of ethnocentrism is.

Differences among the Respondents with Different Levels of Education– ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	22.739	4	5.685	3.256	.013
Within Groups	410.236	235	1.746		
Total	432.975	239			

PostHoc LSD Test on the differences between the respondents with different level of education and their level of consumer ethnocentrism

(I) Education	(J) Education	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Elementary school or less	3- or 4-year vocational school	.11310	.64470	.861	-1.1570	1.3832
	Secondary school	.93208	.56112	.098	-.1734	2.0376
	Junior college	1.35985*	.67056	.044	.0388	2.6809

table continues

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continued

(I) Education	(J) Education	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Elementary school or less	University education or more	1.17218*	.55117	.034	.0863	2.2580
3- or 4-year vocational school	Elementary school or less	-.11310	.64470	.861	-1.3832	1.1570
	Secondary school	.81898*	.38549	.035	.0595	1.5784
	Junior college	1.24675*	.53234	.020	.1980	2.2955
	University education or more	1.05909*	.37085	.005	.3285	1.7897
Secondary school	Elementary school or less	-.93208	.56112	.098	-2.0376	.1734
	3- or 4-year vocational school	-.81898*	.38549	.035	-1.5784	-.0595
	Junior college	.42777	.42733	.318	-.4141	1.2697
	University education or more	.24010	.19170	.212	-.1376	.6178
Junior college	Elementary school or less	-1.35985*	.67056	.044	-2.6809	-.0388
	3- or 4-year vocational school	-1.24675*	.53234	.020	-2.2955	-.1980
	Secondary school	-.42777	.42733	.318	-1.2697	.4141
	University education or more	-.18767	.41417	.651	-1.0036	.6283

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continued

(I) Education	(J) Education	Mean Difference (I-J)	Std.Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
University education or more	Elementary school or less	-1.17218*	.55117	.034	-2.2580	-.0863
	3- or 4-year vocational school	-1.05909*	.37085	.005	-1.7897	-.3285
	Secondary school	-.24010	.19170	.212	-.6178	.1376
	Junior college	.18767	.41417	.651	-.6283	1.0036

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

Means plot on the relationship between education and the level of consumer ethnocentrism
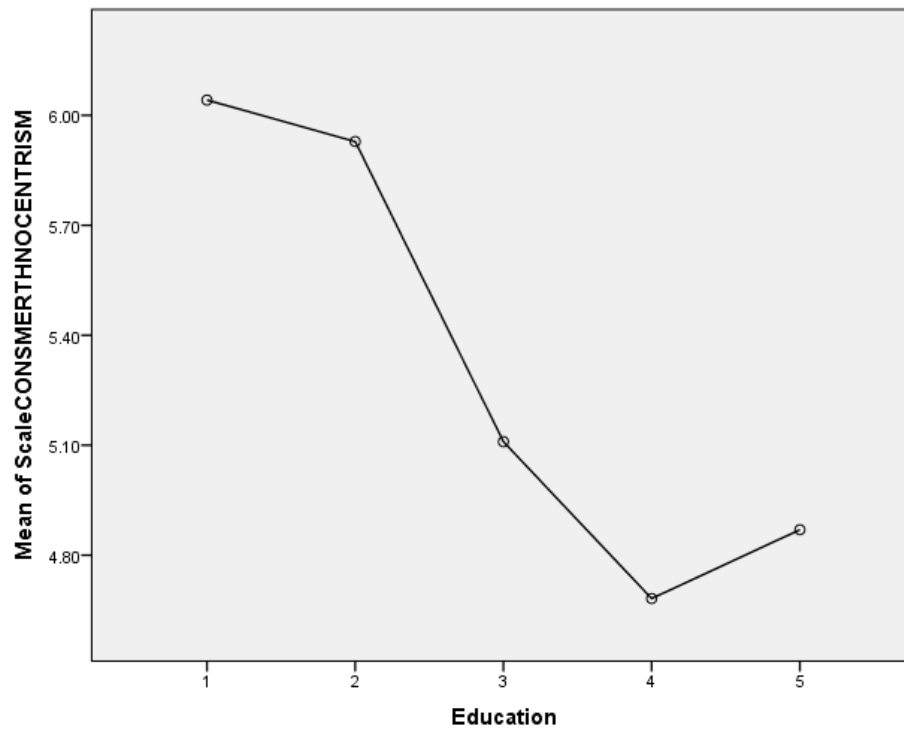
Hypothesis IVa: The higher the level of consumer ethnocentrism in Macedonia, the greater the perceived quality of domestic tourism products is.

Correlations

		ScaleCONSUMER_ETHNOCENTRISM	ScaleQuaTurMaced
ScaleCONSUMER_ETHNOCENTRISM	Pearson Correlation	1	.218**
	Sig. (2-tailed)		.001
	N	240	239
ScaleQuaTurMaced	Pearson Correlation	.218**	1
	Sig. (2-tailed)	.001	
	N	239	239

**. Correlation is significant at the 0.01 level (2-tailed).

Hypothesis IVb: The higher the level of consumer ethnocentrism in Macedonia, the greater the perceived quality of domestic clothing products is.

Correlations

		ScaleCONSUMER_ETHNOCENTRISM	ScaleQuaApMaced
ScaleCONSUMER_ETHNOCENTRISM	Pearson Correlation	1	.325**
	Sig. (2-tailed)		.000
	N	240	239
ScaleQuaApMaced	Pearson Correlation	.325**	1
	Sig. (2-tailed)	.000	
	N	239	239

**. Correlation is significant at the 0.01 level (2-tailed).

Hypothesis V: The greater the perceived quality of domestic tourism products is, the more the consumers will buy them.

Differences among Respondents with Different Quality Perceptions of the Domestic Tourism Services in Relation to Their Actual Purchase Behavior – ANOVA

SpentHol_Maced

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	234.796	27	8.696	1.047	.409
Within Groups	1470.004	177	8.305		
Total	1704.800	204			

Differences among Respondents with Different Quality Perceptions of the Domestic Tourism Services in Relation to the Actual Purchase Behavior of Tourism Products from Greece – ANOVA

SpentHol_Greece

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	86.971	27	3.221	.827	.713
Within Groups	813.746	209	3.894		
Total	900.717	236			

Differences among Respondents with Different Quality Perceptions of the Domestic Tourism Services in Relation to the Actual Purchase Behavior of Tourism Products from Turkey – ANOVA

SpentHol_Turkey

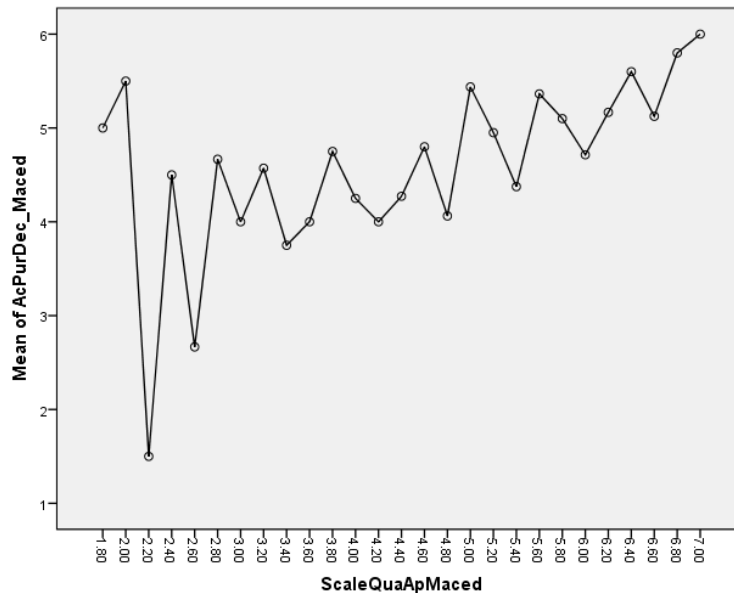|	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	7.967	27	.295	.604	.940
Within Groups	102.642	210	.489		
Total	110.609	237			

Hypothesis VI: The greater the perceived quality of domestic clothing products is, the more the consumers will buy them.

Differences among Respondents with Different Quality Perceptions of the Domestic Clothing Products in Relation to Their Actual Purchase Behavior – ANOVA

AcPurDec_Maced

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	99.027	26	3.809	1.991	.004
Within Groups	403.544	211	1.913		
Total	502.571	237			

Means plot on the relationship between quality perceptions of domestic clothing products in and their actual purchase

Differences among Respondents with Different Quality Perceptions of the Domestic Clothing Products in Relation to the Actual Purchase Behavior of Clothing from Greece – ANOVA

AcPurDec_Greece

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	57.342	27	2.124	.926	.574
Within Groups	483.712	211	2.292		
Total	541.054	238			

Differences among Respondents with Different Quality Perceptions of the Domestic Clothing Products in Relation to the Actual Purchase Behavior of Clothing from China – ANOVA

AcPurDec_China

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	85.917	27	3.182	1.119	.320
Within Groups	600.141	211	2.844		
Total	686.059	238			