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## **COMPARISON OF CONSUMER ETHNOCENTRISM BEHAVIOURAL PATTERNS IN TRANSITIONAL ECONOMIES**

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**ABSTRACT.** *It has been twenty plus years since the breakup of the Soviet Union and Yugoslavia left handfuls of countries newly independent and transitioning to a market economy. In this period, transitional markets have faced major economic, social and political changes, and increasing competition. In this evaluative context where countries in transition have experienced a strong process of westernization of consumer behaviour, the link with the former controlling country may still survive. The purpose of this study is to examine whether transitional economies have maintained consumer ethnocentrism behaviour models nearer to their former controlling country or if they more resemble their Western neighbours.*

**KEYWORDS:** ethnocentrism; transitional economies, comparative models.

**JEL classification:** M31, P2.

## **Introduction**

The last several decades are punctuated by numerous economic, social and political transformations and (re)establishment of numerous countries. These changes shaped specific contexts for consumer sensitivities and behaviour in transitional countries. Opinions of products and their countries of origin are amalgamated with pre-transitional experiences and images. Associations developed from the past are profoundly connected with neighbouring countries, which in turn influences perceptions about both domestic and foreign products. While these consumer ethnocentrism effects have been widely shown in traditional settings, what remains unknown is the degree to which consumers in transitional east-west countries adapt to consumer ethnocentrism models of consumer behavior of their western neighbours or retain those developed under former systems.

## **1. Literature Review**

Country of origin can be broadly defined as the country of manufacture or branding where a product originates. Studies of product country of origin on buyer perceptions were initiated by Schooler (1965), and since have become one of the most widely studied international marketing phenomena. Schooler (1965) revealed that products, identical in every respect except for their country of origin, were perceived differently by consumers.

The country of origin effect of a product, typically marketed with the *made in* term, can be defined as any positive or negative effect that the country a product is perceived to be

from has on a consumer's product evaluation (Cateora and Graham, 1999; Johansson, 2000). The debate around the country of origin effect started in the 1960's. The perception that the country of origin has on the consumer evaluation process has been investigated and proved by numerous studies. Reiersen (1966) was one of the first to demonstrate how American consumers perceived products differentially depending on country of origin. In line with this early research, there is much evidence supporting the influence of country of origin on consumer judgment and perception (Hong and Wyer, 1991; Verlegh and Steenkamp, 1999). Narayana (1981) as well as Bilkey and Nes (1982) indicated that a positive perception of products made in the home country was nearly constant, no matter what the attitude toward the country itself. Johansson and Nebenzahl (1986) further showed that nationality influences the product evaluation process, but not necessarily the judgment that domestic products are better compared to imported.

The results from country of origin research are both broad and deep in respect to the effect on consumer product perceptions. A few of the results indicate that a) re-location of production in a foreign country can damage the image of certain products (Knight, 1999), b) brand names can communicate country and quality associations (Ahmed and d'Astous, 2004; Samiee *et al.*, 2005; Usunier and Lee, 2005); c) domestic products may even enjoy a price premium (Johansson and Nebenzahl, 1986); and d) that in most developed countries domestic products generally enjoy a more favorable evaluation (Jaffe and Nebenzahl, 1989).

Several researchers have summarized the outcomes of product country of origin studies and concluded that a product's origin is an vital factor in determining how it will be received by buyers (e.g., Bilkey and Nes, 1982; Peterson and Jolibert, 1995; Pharr, 2005; Papadopoulos and Heslop, 1993; Verlegh and Steenkamp, 1999). Papadopoulos and Heslop (1993) suggest that consistent findings of country of origin effects are found over a wide variety of products: cars; personal computers; VCRs, CD players, SLR cameras, pocket pagers, telephones, wrist watches; wearing apparel from socks to blouses and dress shirts; desk pens; leather wallets; glassware; fruit juice and coffee beans; cigarette brands; sanitary pads; and industrial products, such as lift trucks, dictation equipment and paint.

Country image perceptions also vary depending on the level of economic development (Papadopoulos *et al.*, 1990). In many developing countries, inefficient marketing systems prevail. Significant differences in market structures and consumer behavior between developed and developing countries are therefore prevalent and country of origin results and models from developed countries may not necessarily apply to developing countries (Ahmed and d'Astous, 2008). However, there is limited research regarding these models in transitioning countries that have rapidly moved to market based economies and up the economic development ladder.

More recently, the country of origin literature has largely been subsumed within the context of Consumer Ethnocentrism.

### ***1.1 Consumer Ethnocentrism***

Ethnocentrism tends to create a belief that an ethnic or cultural group is centrally important; all other groups are evaluated in relation to one's own. The term "ethnocentrism" was initially defined by Sumner (1906), upon observing the tendency for people to differentiate between the in-group and others. He described it as often leading to pride, vanity, beliefs of one's own group's superiority, and contempt of outsiders. With this as a basis, Shimp and Sharma (1987) expanded the concept to consumer ethnocentrism. Consumer

Ethnocentrism (CE) refers to the consumers' belief that buying foreign products will potentially result in a domestic jobs reduction and economic damage (Shimp and Sharma, 1987). Thus, ethnocentric consumers consider the purchase of foreign goods as inappropriate, immoral and unpatriotic. Shimp and Sharma (1987) state that consumer ethnocentrism is a behavioral pattern that is socialized during early childhood years and is fairly inelastic to other product attributes, such as price and quality.

Consumer ethnocentrism has been found to negatively affect consumer evaluations of foreign products as well as their attitudes toward foreign products. In general, research (Shimp and Sharma, 1987; Netemeyer *et al.*, 1991; Sharma *et al.*, 1995; Klein *et al.*, 1998) validates that high consumer ethnocentrism discourages the purchase of foreign products and increases the tendency to evaluate them negatively.

Governments have continually reduced tariffs and other trade barriers to encourage trade among nations yet one form of a non-tariff barrier that tends to endure among citizens is consumer ethnocentrism (Shankarmahesh, 2006). This reduction of trade barriers is especially prevalent in transitioning countries that either have or are in the process of joining the European Union. Ethnocentric tendencies can occur in all manner of social groups and tend to result in an 'us against them' mentality that exhibits a high level of pride in their group membership status and an equally strong contempt towards non-group members (LeVine and Campbell, 1972). Considering the rapid pace of globalization in consumption, it is not surprising that so many empirical research efforts have been devoted to the examination of the role of consumer ethnocentrism, particularly as this stream of research offers a sound theoretical basis and may result in substantial implications for international marketing practice (Vida *et al.*, 2008).

In his review of empirical literature in the consumer ethnocentrism field, Shankarmahesh (2006) identified four broad categories of factors influencing consumer ethnocentrism, socio-psychological; political; economic; and demographic. This research largely focuses on the first two and the adaption of transitional countries' behavioral models to as they have transitioned from externally command controlled to free market economies.

## **1.2 Consumer Animosity**

Country animosity was first developed by Klein *et al.* (1998, p. 90) and defined as the "remnants of antipathy related to previous or ongoing military, political, or economic events". In contrast to the large amount of extant literature on foreign product purchase, the authors proposed that a product's origin can affect consumer buying decisions independently of product judgments. A number of subsequent studies on animosity replicated Klein *et al.* (1998) research results in less extreme contexts (Nijssen and Douglas, 2004; Shin, 2001; Bahae and Pisani, 2009). Other researchers added precision and delineation to the animosity construct (Jung *et al.*, 2002; Ang *et al.*, 2004), broadened the applicability of the construct (Hinck, 2004; Shimp *et al.*, 2004; Pecotich *et al.*, 2005) or applied it to certain groups of products (Urbonavičius and Gineikienė, 2009). Reviews of the animosity literature from managerial perspective were performed by Amine *et al.* (2005) and from measurement perspective by Riefler and Diamantopoulos (2007).

Over the past decade, consumer animosity has gained considerable attention in international marketing literature as a determinant of foreign product purchase behavior. The majority of consumer animosity studies have examined the attitudes of the members of one nation towards the products of another nation (Rose *et al.*, 2009).

According to Riefler and Diamantopoulos (2007), these tensions may stem from territory disputes, economic arguments, diplomatic disagreements, or religious conflicts - leading to unfriendly relations between countries or even armed conflicts. The investigation of the impact of such bilateral disputes on consumers' behavior towards products of companies from the offending nation has gained research attention in recent years (Klein *et al.*, 1998; Nijssen and Douglas, 2004; Ang *et al.*, 2004).

In addition, animosity may be derived during and after independence within transitional countries. While the Soviet Union and Yugoslavia no longer exist, in many cases consumers in transitional countries associate these entities with the politically dominant country (i.e., Russia and Serbia). Tensions between east and west continue today with the transitional countries often spanning the bridge between. Many of these countries have politically integrated with the west through the EU while others (e.g., Belarus and Kazakhstan) remain tied to Russia through the Commonwealth of Independent States (CIS) and Eurasian Economic Community (EAEC). Of interest in this research is not to what extent consumer ethnocentrism affects foreign versus domestic product images, but rather the degree to which transitional countries approximate actual models of consumer behaviour after twenty-plus years of independence.

### ***1.3 Consumer Affinity***

Quite the opposite of animosity, Oberecker and Diamantopoulos (2011) show how consumers in one country may have a positive affect toward another country, and how this positively affects their willingness to buy products from that country. Their conceptualization of consumer affinity comprises two subcomponents – sympathy and attachment. Logically, it is not a stretch to presuppose significant affinity toward Western neighbors of transitional economies. In fact, historical behaviour suggests a flight of many transitional countries upon independence to join their western neighbours both in terms of geopolitical associations (e.g., NATO) as well as commercial (e.g. EU). Oberecker and Diamantopoulos (2011) convincingly argue and empirically show that this flight has a significant impact on willingness to buy – even under rather adverse conditions such as Greek bonds.

## **2. Model and Hypotheses**

As shown, Ethnocentrism and associated constructs of Animosity and Affinity have a strong impact on consumer attitudes and therefore their purchase behaviour. What has not been examined is how underlying patterns of behaviour have adapted as countries transition to free market economies. The models are relatively global to the extent that consumer ethnocentrism affects purchase behaviour, but to our knowledge there exist no comparative studies on how, when or if consumers adopt models of consumer behaviour as the geopolitical and economic context changes. In other words, do consumers adopt models of behaviour approximating those countries to which they have an affinity and away from those to which they may have animosity?

Against the theoretical background of consumer ethnocentrism and the need to investigate ethnocentrism models in a context of transitional economies, this section adopts a simplified model of consumer ethnocentrism (Rybina *et al.*, 2010) and develops hypotheses regarding the degree of difference in Consumer ethnocentrism models of behaviour of

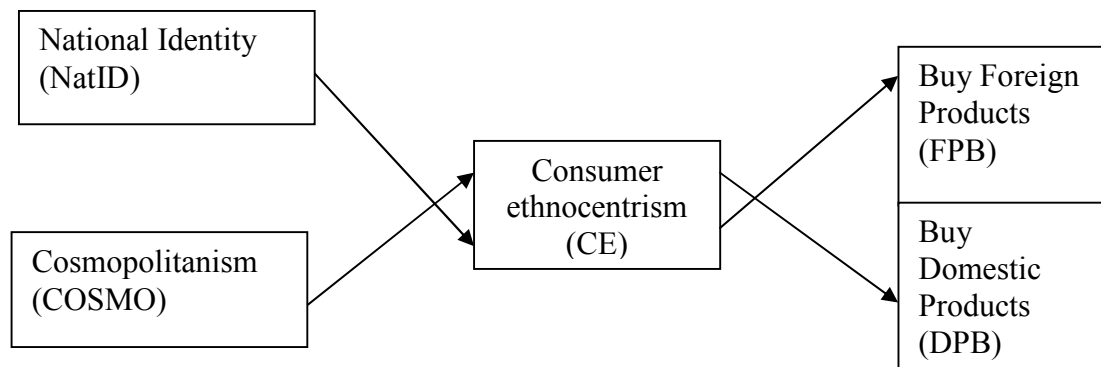
transitional countries. This difference is examined from both a nearby western neighbour as well as the formerly controlling entity.

Among the possible sources of consumer ethnocentric tendencies, national identity and cosmopolitanism appear to be of great interest in times of transition. National identity can be assumed to have adapted significantly given relatively recent independence of transitional countries. National identity is defined by Keillor *et al.* (1996, p.58) as “the set of meanings owned by a given culture that sets it apart from other cultures”. Individuals reveal a strong national identity when they identify with religious, historical, cultural and social aspects of their nation, embodying a strong sense of national uniqueness (Keillor *et al.*, 1996). Among others, Vida *et al.* (2008) found that national identity is a significant predictor of consumer ethnocentrism.

In Western thought the idea of cosmopolitanism first comes up with the Sophists and not long thereafter with minor Socratic philosophers. In minor Socratism, the image of the wise person emerges as a “world citizen”. Subsequently, the concept of cosmopolitanism is formulated more completely in the stoic ethic becoming a common conception in the various schools of thought during the time of the Roman Empire.

Even today, the concept of cosmopolitanism continues to reveal itself as a complex construct. The term has been frequently used to describe almost any person who moves about in the world such as tourists, global business travellers, expatriates or even refugees (Skribis *et al.*, 2004; Thompson and Tambyah, 1999; Hannerz, 1990). However, the debate on the nature and the concept of cosmopolitanism is very rich. Here we adopt the definition of cosmopolitan orientation promoted by Hannerz (1990), which is willingness to “entail relationships to a plurality of cultures understood as distinctive entities” and “includes a stance toward the diversity itself, toward the coexistence of cultures in the individual experience” (Hannerz, 1990, p.239). Thus, cosmopolitan consumers actively consume cultural differences (Thompson and Tambyah 1999; Caldwell *et al.*, 2006) not necessarily leaving their own country (Douglas and Craig, 2006). Cannon and Yaprak (2002) identify different factors that drive consumers to cosmopolitan values, such as competitive pressure, technological change, global communications, consumer experience and saturation of low-level needs. Skribis *et al.* (2004) assert that cosmopolitan attitudes reveal openness toward other cultures and generate cross-cultural goodwill: hence cosmopolitans appreciate, consume and empathize with symbols and practices that originate in other countries. In the current context, this construct becomes particularly significant given that transitional countries of the former Soviet era were severely restricted on travel. However, this is much less true of those of the former Yugoslavia.

Consumer Ethnocentrism attitudes have been analysed focusing on the analysis of consumer ethnocentrism and its outcomes, for two main reasons. First, in a period of transition and economic instability normative mechanisms such as consumer ethnocentrism can become significantly relevant in influencing consumer behaviour. Secondly, research has provided ample evidence on the variation of the explanatory power of consumer ethnocentrism and its sources depending on the political and economic context – both significant in transitional countries.



*Figure 1. Conceptual Model*

Good and Huddleston (1995) first suggested that there were differential effects of consumer ethnocentrism in Russia and Poland. Specifically, Poles have developed strong patriotic emotions which translate directly into consumer attitudes, whereas the same may not be true for Russian consumers. Several researchers have examined the effect of ethnocentricity in emerging or transitional economies. Supphellen and Rittenburg (2001), suggested that “Eastern bloc countries” (namely Poland), that there is a differential effect of consumer ethnocentrism on both domestic and foreign brands based on the domestic brands being “clearly superior”. This was followed by Klein, *et al.* (2006), showed that in transitional economies, the models of CE still held, even though foreign goods were widely preferred. More recently, the CE model has been shown to be a significant predictor of both foreign and domestic purchase behaviours in transitional countries (Rybina *et al.*, 2010; Dmitrovic *et al.*, 2009; Cleveland *et al.*, 2009; Vida and Reardon, 2008; Vida *et al.*, 2008).

From the model (*Figure 1*), three diametric sets of hypotheses can be inferred.

*Ha1: CE model of transitional countries will more resemble western neighbour than former administrating country;*

*Ha2: CE model of transitional countries will more resemble former administrating country rather than western neighbour;*

*Ha3: CE model of transitional countries estimates will fall between former administrating country and western neighbour; and*

*Ha4: CE model of transitional countries will be unique.*

The first hypothesis is based on the logic that transitional countries not only adopt policies, products and economic systems of neighbours, but also consumers migrate to similar behavioural models. The second subsumes two assumptions a) that models of behaviour are very intransient and that b) consumers, at least to some extent, were integrated on only politically into their former entity, but also tended to adopt consumer behaviour models/patterns. The third hypothesis presumes something in between the first and second – continued behavioural transition. The fourth is the only remaining logical alternative.

### 3. Methods

#### 3.1 Sample

The framework in *Figure 1* and the corresponding hypotheses were tested by analysing a sample of 3251 respondents from 13 countries, as shown in *Table 1*. Transitional countries were chosen in an attempt to obtain a wide range of countries that have been relatively successful at transitioning to a free market economy, were geographically diverse, and to some degree the availability to obtain data. The ‘western neighbour countries’ were chosen based on closest geographically available country from which the authors could obtain the required data. In both cases of the former controlling country, Russia and Serbia were utilized as the sample given that they are perceived as the main controlling interest of the former Soviet Union and Yugoslavia, respectively. College students were chosen as subjects, based on several factors: a) relative homogeneity of extraneous influences (Burgess and Steenkamp, 2006; Coulter *et al.*, 2005; Strizhakova *et al.*, 2008), b) relatively high exposure to global commerce (Gidley, 2002; Kjeldgaard and Askegaard, 2006) and c) relatively high exposure to multiple languages/cultures. Data were collected by means of a self-completion questionnaire.

**Table 1. Sample Country Description**

Country	N	Language root	Former controlling country	Western neighbour
Finland (FIN)	223	<i>Ugric</i>		
Germany(GER)	196	<i>Germanic</i>		
Italy(ITA)	408	<i>Romance</i>		
Russia (RUS)	340	<i>Slavic</i>		
Turkey (TUR)	222	<i>Turkic</i>		
Serbia (SER)	244	<i>Slavic</i>		
Estonia (EST)	291	<i>Ugric</i>	U.S.S.R./Russia	Finland
Latvia (LAT)	123	<i>Baltic</i>	U.S.S.R./Russia	Finland
Lithuania(LIT)	196	<i>Baltic</i>	U.S.S.R./Russia	Finland
Czech Republic	201	<i>Slavic</i>	U.S.S.R./Russia	Germany
Kazakhstan (KAZ)	310	<i>Slavic/Turkic</i>	U.S.S.R./Russia	Turkey
Croatia (CRO)	207	<i>Slavic</i>	Yugoslavia/Serbia	Italy
Slovenia (SLO)	290	<i>Slavic</i>	Yugoslavia/Serbia	Italy

#### 3.2 Measures

Considering the relation between transitional economies and former controlling countries, two antecedents of consumer ethnocentrism have been considered for investigation: cosmopolitanism and national identity. National identity is defined as the “proud to belong to the own nation” sentiment, and identifies the strong connection with the consumer’s country. Vice versa cosmopolitanism is represented by the openness toward other cultures which are expected to assume a relevant role in the individual experience, in this case the Western neighbours.

Construct measures for this research were derived from existing literature (see *Table 2*) (Granzin and Olsen, 1998; Keillor *et al.*, 1996; Shimp and Sharma, 1987; Yoon *et al.*, 1996). All measures used have been proven psychometrically sound in cross-cultural contexts.



CETSCALE, for example, has been previously used and validated in various cross-cultural contexts (e.g. Lindquist *et al.*, 2001; Luthy, 2007; Saffu and Walker, 2005; 2006). For this study, the six-item version of the original scale was utilized to measure ethnocentrism. Seven-point Likert-type scales (1 - strongly disagree to 7 - strongly agree) were utilized for the individual scales to measure the five constructs.

The measures were purified/pretested in the United States (N=247), China (N=118), and Belgium (N=86) based on a convenience sample. Exploratory factor, reliability, and invariance analysis were used to determine the final scales. In the process of translation and cross-cultural adaptation of the research stimuli and questionnaire (scale items), we followed the guidelines for conducting international consumer research by Craig and Douglas (2006) and by Douglas and Craig (2006).

Reliability of the scales was established using composite reliability (see *Table 2*). All reliability values are “respectable or better”, i.e. higher than 0.7 (DeVellis, 2003).

**Table 2. Operational Measures**

Construct/Items	Composite Reliability	AVE
<b>National Identification (NatID)</b> (Adapted from Keillor <i>et al.</i> , 1996 ) 1. Being a(n) Italian citizen means a lot to me 2. I am proud to be an Italian citizen 3. When a foreign person praises Italy, it feels like a personal compliment 4. I feel strong ties with Italy	.88	.703
<b>Cosmopolitanism (Cosmo)</b> (Adapted from Yoon <i>et al.</i> , 1996) 1. I like immersing myself in different cultural environments 2. I like having contact with people from different cultures 3. I would enjoy travelling to foreign countries for an extended period of time 4. Getting information and news from around the world is important to me	.79	.575
<b>Ethnocentricity (CE)</b> (Adapted from Shimp and Sharma, 1987) 1. Only those products that are unavailable in Italy should be imported 2. Italian products, first, last and foremost 3. A real Italian citizen should always buy Italy-made products 4. Italian citizens should not buy foreign products, because this hurts the Italy’s business and causes unemployment 5. It may cost me in the long-run, but I prefer to support Italian products 6. Italian consumers who purchase products made in other countries are responsible for putting their fellow Italian citizens out of work	.87	.644
<b>Domestic Purchase Behavior (BuyDom)</b> (Adapted from Granzin and Olsen, 1998) 1. I try to buy mostly domestic brands 2. I take time to look at labels in order to knowingly buy more domestic brands 3. I shop at retail stores that make a special effort to offer domestic brands	.86	.719
<b>Foreign Purchase Behavior (BuyFor)</b> (Adapted from Granzin and Olsen, 1998) 1. I like the idea of owning foreign products 2. My quality of life would improve if more imported goods were available 3. I find imported goods more desirable than domestically produced products	.79	.628

The scales were examined with Confirmatory Factor Analysis (CFA) using LISREL 8 (Joreskog and Sorbom, 1993). The results indicate an acceptable fit of the CFA model (RMSEA = 0.057). Discriminant validity was tested by setting the individual paths of the Phi Matrix to one and testing the resultant model against the original (Gerbing and Anderson, 1988), using the D-Squared statistic (Joreskog and Sorbom, 1993). The D-Squared statistics

were all highly significant indicating high uni-dimensionality and discriminant validity. In addition, the Average Variance Extracted (AVE) exceeded the Shared Variance for all pairs which had a maximum value of .4225 (Fornell and Larcker, 1981). Convergent validity was tested by examining the factor loadings. The estimated factor-loading measures are bounded within the range between 0.50 to 0.93 and all are significant with t values ranging from 28.2 to 67.6 indicating acceptable convergent validity (Hair *et al.*, 1998; Bagozzi, 1981). In addition, the AVE exceeded 0.50 for all three constructs (Fornell and Larcker, 1981).

### 3.3 Analytic Method

A MGSEM was estimated in LISREL 8.8 with each country representing one of the thirteen groups as per the conceptual model in *Figure 1*. To examine the hypotheses, all of the paths between each pair of countries (both controlled and controlling countries and then again for controlled and western neighbour) were constrained to be equal and the D-Square (difference in Chi-squared values) was examined (d.f. = 4).

## 4. Results and Discussion

The overall fit of the MGSEM model is acceptable. As could be expected given the sample size, the Chi-Squared statistic was significant. The other performance measures suggest that our model describes the data well within acceptable limits. The RMSEA was below the 0.08 cutoff values suggested by Browne and Cudeck (1993). In addition, the NFI, NNFI, CFI, IFI (range .91-.94) are all above the commonly recommended 0.90 limit (Lichtenstein *et al.*, 1993).

*Tables 3-6* show the estimation results of the structural equation modelling. The coefficient of each path in the model is given, followed by the D-squared test for the overall equivalency of the models. A non-significant D-Squared indicates no statistical differences between the models.

**Table 3. Results of Baltic Country Analysis**

	Cosmo → CE (-)	NatID → CE (+)	CE → BuyDom (+)	CE → BuyFor(-)	D <sup>2</sup> Russia	D <sup>2</sup> Finland
Russia (Former controlling)	-.22*	.45*	.40*	-.23*	n/a	20.31 (p=.005)
Latvia	-.28*	.38*	.53*	-.23*	2.58 (p=.630)	4.68 (p=.322)
Lithuania	-.04	.23*	.45*	-.05	12.92* (p=.012)	7.79 (p=.100)
Estonia	.09	.41*	.63*	-.36*	19.66* (p<.001)	11.01* (p=.027)
Finland (Western neighbor)	-.07	.19*	.66*	-.27*	20.31* (p=.005)	n/a

Overall, the model for Lithuania is not significantly different from that of Finland, but much different than that of Russia. Both the Latvian and Estonian models have components resembling both Russia and Finland. The Latvian model is right between the two (not significantly different from either). The Estonian model reflects both Russian and Finnish

mechanisms. The link between NatID to CE is much like the Russians – probably become the higher levels of NatID in both Estonian and Russian markets than in the others. The core of the CE model tends to resemble Finland much more than of the Russian model – with the paths from CE to both BuyDom and BuyFor being significantly closer to those of Finland than Russia. *Table 3* provides partial support for both H1a and H1c.

**Table 4. Results of Czech Republic Analysis**

	Cosmo → CE (-)	NatID → CE (+)	CE → BuyDom (+)	CE → BuyFor(-)	D <sup>2</sup> Russia	D <sup>2</sup> Germany
Russia (Former controlling)	-.22*	.45*	.40*	-.23*	n/a	127.25* (p<.001)
Czech Republic	-.03	.21*	.87*	-.14	29.22* (p<.001)	22.07* (p<.001)
Germany (Western neighbor)	-.24*	.52*	.78*	-.28*	127.25* (p<.001)	n/a

Consumers in the Czech Republic took their own direction – the models significantly different from both Russian and German. Only in the path between CE and BuyDom does the Czech model resemble that of Germany. This analysis provides support for H1d.

**Table 5. Results of Kazakhstan Analysis**

	Cosmo → CE (-)	NatID → CE (+)	CE → BuyDom (+)	CE → BuyFor(-)	D <sup>2</sup> Russia	D <sup>2</sup> Turkey
Russia (Former Controlling)	-.22*	.45*	.40*	-.23*	n/a	101.97* (p<.001)
Kazakhstan	-.25*	.17*	.58*	-.32*	18.06* (p=.001)	12.67* (p=.013)
Turkey (Western Neighbor)	-.04	.31*	.67*	-.28*	101.97* (p<.001)	n/a

Notes: \*=Not Significantly Different at 0.05 level (models approximate each other).

The Kazakh behaviour model closer resembles that of Turkey than of Russia, although statistically significantly different from both. This is somewhat surprising, because of all the former areas under Soviet influence, Kazakhstan retains the closest ties with Russia, being a member of the CIS. The exception is the path between Cosmo and CE. This is not surprising given that both Russia and Kazakhstan are constrained by similar travel restrictions (i.e., visa regulations imposed by other countries). Along with the analysis from the Baltic countries, this analysis suggests additional support for H1a.

Slovenia and Croatia are between both Serbia and Italy in behavioural models. Given the history and locale, it is not surprising that these two countries resemble both models in some fundamental ways. Travel was largely unrestricted from Yugoslavia to the Western neighbours before the breakup. In addition, there were high levels of trade between Yugoslavia and the West. The Balkan analysis, along with some of the analysis from the Baltics provides additional support for H1c.

**Table 6. Results of Balkan Country Analysis**

	Cosmo → CE (-)	NatID → CE (+)	CE → BuyDom (+)	CE → BuyFor(-)	D <sup>2</sup> Serbia	D <sup>2</sup> Italy
Serbia (Former Controlling)	-.19*	.55*	.52*	-.09	n/a	84.89* (p<.001)
Slovenia	-.06	.46*	.49*	-.25*	5.26 (p=.262)	9.31 (p=.054)
Croatia	.00	.28*	.52*	-.03	5.03 (p=.284)	5.02 (p=.284)
Italy (Western Neighbor)	-.03	.21*	.87*	-.14*	84.89* (p<.001)	n/a

Overall, evidence supports that consumer models in most transitional economies either bridge the gap between the east and west or have approximated their western neighbours. The exception to this is the Czech Republic. A priori, we would have assumed that the Czechs would likely bridge the gap between the east and west – having semi-Germanic cultural roots, yet with a Slavic language.

In general, the effects of the basic model are representative of previous studies. The model has good fit statistics and most of the previously proposed effects are confirmed herein. It should be noted that there are significant differences in the basic CE model in transitional countries. Namely, that the link between Cosmo and CE appears weaker than in most previous studies. Another interesting empirical result is that transitional countries have a much stronger link between ethnocentrism and domestic purchase intentions than foreign purchases. This is also true in the previous literature as noted by Balabanis and Diamantopolous (2004).

### **Conclusions and Limitations**

A primary limitation is the nature of the sample, which consisted of college students. Future research may be extended to other segments of the population, hence also giving the possibility to analyse ethnocentric tendencies and their antecedents in relation to age and other socio-demographic variables. However, sampling this demographic also allowed examination of both former controlling country influences as well as more western influences. This sample frame never meaningfully experienced non-independence and spent their lives maturing in a constantly transitioning country. Therefore, any behavioural patterns from the former controlling economy/culture would tend to be learned from previous generations, whereas the western influences might be more direct.

Ideally, it would be good to conduct a study of this nature in a longitudinal manner as to test the changes in models over time in contrast to other countries. While ideal, such a study is not practical except going into the future. Within the last decade, there have been a host of studies using CE models in transitioning countries. Thus the opportunity will soon exist to take a more meta-longitudinal approach to studying models in transitional countries.

Conducting large scale, multinational samples is both expensive and time consuming. However, this study only included one country from the central European theatre – Czech. The results from there are rather unique compared to the other areas. Thus, it would be important to look at other central European countries to see if Czech is a unique case, or if the central region is different from the northern and southern.

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## **VARTOTOJŲ ETNOCENTRIZMO MODELIŲ PALYGINIMAS PEREINAMOSIOS EKONOMIKOS ŠALYSE**

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### **SANTRAUKA**

Jau praėjo daugiau nei 20 metų nuo Sovietų Sąjungos ir Jugoslavijos žlugimo, po kurio buvo atkurtos nepriklausomos valstybės pasukusios rinkos ekonomikos keliu. Per dvidešimt metų šios šalys susidūrė su esminiais ekonominiais, socialiniais ir politiniais pokyčiais, paveikusiai šių šalių vartotojų elgseną. Viena vertus, pereinamosios ekonomikos šalių vartotojų elgsenoje išryškėjo vakarietiški pirkimo ir vartojimo elgsenos modeliai, antra vertus, pereinamosios ekonomikos šalių vartotojų elgsena vis dar gali turėti tam tikrą jas kažkada kontroliavusių šalių (pavyzdžiui, Rusijos arba Serbijos) bruožų.

Šio tyrimo tikslas yra ištirti, ar pereinamosios ekonomikos šalių vartotojų elgsenai būdingi etnocentrizmo modeliai yra artimesni planines ekonomikas kontroliavusių šalių – Rusijos ir Serbijos vartotojų etnocentrizmo modeliams, ar jų elgsenos modeliai vis tik panašesni į artimiausių Vakarų kaimynių vartotojų elgsenai būdingus etnocentrizmo modelius.

*REIKŠMINIAI ŽODŽIAI:* etnocentrizmas, pereinamosios ekonomikos šalys, lyginamieji modeliai.