XENOPHOBIA AND ITS EFFECTS ON FOREIGN PRODUCTS PURCHASE: A PROPOSED CONCEPTUAL FRAMEWORK

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ABSTRACT

The study attempts to conceptualize the construct of xenophobia into the consumer purchase behavior towards the foreign made products. This study proposes a framework related to the negative attitude on foreign products purchase by integrating the construct of xenophobia based on previous literatures and the underlying theory. Independent variable will be xenophobia, product judgments will be employed as mediating variable, and willingness to buy as the dependent variable. In this study, 5 hypotheses will be proposed based on the conceptual framework outlined.

Keywords: Xenophobia, negative attitude, purchase behavior, foreign products

BACKGROUND OF STUDY

The rapid globalization and liberalization of market have permitted the massive entrance of the foreign products into the local market. Consumers are exposed into variety of choices for products and services from multiple country of origin. Country of origin is often used by consumers as cue in product evaluation that would predict their purchase decision (Yeong et.al, 2007). International marketers should realize that any antipathy harbored by consumers toward a country of origin of the product may be costly to their international business and marketing activities. The antipathy towards a country or nation encourages the negative attitudes among consumers that cause their repulsion towards foreign made products (Klein et.al., 1998).

Researches on the foreign products purchase have been conducted in context of consumers’ antipathies related to previous military events, economics and diplomatic disputes (Klein et.al., 1998), as well as market protest (Ettenso & Klein, 2005). However, dearth of research has empirically addressed the potential effects of negative sentiments or stigma against country of origin in international marketing and international business literatures (Amine, 2008). For instance, the possible effects of Anti-Americanism, Francophobia, and Islamophobia into purchase behavior towards the foreign products. These negative sentiments may generally lead to resistance or repulsion in consumption of foreign products.

Consumer can be motivated by their ethnocentric tendencies and the feelings of animosity that cause them to reject the foreign products from specific countries (Klein et.al., 1998). Although some consumers are repulsed by specific foreign countries, but there are some of them that are repulsed by everything that perceived as foreign in general, which recognized as xenophobia (Joshiassen, 2011). However, to the best of our knowledge, the potential effects of xenophobia in purchase behavior have been relatively less explored in marketing research. Therefore, it is important to examine on how xenophobia would shape attitudes, beliefs, and behaviors toward foreigners, particularly in the context of foreign products purchase.

Xenophobia is possible to ruin the established relationship among the international investors and foreign trading partners in a country and creates negative image to foreign business (Nyar, 2011). Xenophobia carries negative influences and results in significant costs for those who are the target of xenophobic prejudice (Yakushko, 2009). For instance, xenophobic violence attacks targeted at foreign-owned shops in South Africa have cause the harassment to the owner which threatened the owner to close down the shop (Commy, 2013). Furthermore, the issue of possible xenophobia has been a subject of discussion in trademark protection of foreign brands, where some governments have argued that their consumers should not pay for foreign brand equity (Gillespie et.al, 2002).

From a general point of view, it is apparent that xenophobic people tend to deviate from strangers or foreigner. They view them as threaten to cultures and national identity, as well as rivalry against limited economic resources in a country (Campbell, 2003). When construct of xenophobia (resentment towards everything foreign in general) is taken into account with respect to consumers, we suggest that xenophobic attitude towards foreign product will become more apparent. We postulate that consumers who exhibit xenophobic tendencies are trying to split the differences of other cultures with their own. Therefore, we propose that xenophobic consumers may develop repulsion towards the foreign made products.

Based on the above discussion, this study attempts to conceptualize the construct of xenophobia as a form of negative attitude in the context of repulsion towards the foreign products. Particularly, we aim to examine the concept of xenophobia and its potential effects on willingness to buy foreign made products. Perhaps, the findings from this study could shed some light in
introducing a new underlying factor of consumer negative attitude that can be considered as consumer xenophobia in the international marketplace.

This study will embark on the following objectives:

1. To assess the sources of xenophobia.
2. To examine the relationship between xenophobia and willingness to buy.
3. To examine the relationship between xenophobia and product judgments.
4. To examine the relationship between product judgments and willingness to buy.
5. To identify whether product judgments mediate the relationship between xenophobia and willingness to buy.

LITERATURE REVIEW

CONCEPT OF XENOPHOBIA

Xenophobia can be derived into two forms namely negative emotions and negative attitudes. Negative emotions of xenophobia consists of dimension of hate, contempt, fear, dislike, insecurity, threat, doubt, and concern; such emotional reactions that related to strangers or foreigners (Veer et.al, 2011). These extreme emotions later precede aggression patterns of behavior directed against foreigners or unfamiliar people in general (Wahl, 2002). On the other hand, xenophobia can also be regarded as a form of negative attitude based on fear towards individuals or groups that perceived to be different from the group which one belongs (Hjerm, 1998). More than that, it is a state of prejudice founded upon fear and bias gauged from hostile attitude or behavior against non-natives (Yakushko, 2009). The negative evaluation due to an encounter with strangers was a strong predictor of fear-related xenophobia (Ommundsen et.al., 2013).

Xenophobia is usually targeted at people or groups of people (Pauw & Petrus, 2003). It is not just about resenting people from foreign countries, but, it is about resenting towards everything that perceived as foreign (Campbell, 2003). The basic of this resentment is due to the differences in ethnic groups, culture, religion, or disease that causes individuals afraid to interact with foreigner (Campbell, 2003). A person looks, dress or any weird behavior that people unconsciously characterized them as different also contribute to manifestation of xenophobic attitudes (Veer et.al., 2011). These stereotypical thinking or prejudice attitudes against people or groups of people can be considered as xenophobia (Helbing, 2010).

The term of xenophobia is more popular in Western countries because they find it necessary to have a unique term to characterize their own system of race relations (Wells, 1970; and Hjerm et.al., 1998). People might have impression that their own nationality are more superior compared with others. The perception of native born individual should be held in higher position than foreigner highlights the maintenance of the status quo in the society (Yakushko, 2009). For instance, the sentiments of Anti-American, Francophobia, Islamophobia, as well as the Apertheid system are among critical events that nourishing the strong feelings of suspicious towards foreigners in the worldwide societies (Amine, 2008; Soldatova, 2007; Lee et.al., 2009; Yakushko, 2009; and Graf, 2011).

SOURCES OF XENOPHOBIA

The increasing numbers of immigrants in most countries contribute to the causes of growing xenophobia in the societies. The presence of foreigners in a country have exposed to cultural threat, threat for loosing national identity, fear for disloyalty of foreigners, and fear for losing control by the political system, reduction in employment opportunities, difficulties with integration and adaptation, and increasing rate of criminal activities within an indigenous society (Veer et.al., 2011). Since the society begins to feel they have been threatened by the presence of these foreigners, the strong negative emotions may occurs which then lead to the rejection attitudes towards foreigners.

Campbell (2003) separated the roots of xenophobia into two types which are politics-based xenophobia and economy-based xenophobia. The political-based xenophobia is identified as rooted in nationalism of an ethnic, demotic-unitarian, or poly-ethnic type (Campbell, 2003). Person who place high importance on behavior and cultural adaptation often exhibits xenophobic tendencies as similar to person who consider ethnicity to be more important (Diehl & Tucci, 2011).

On the other hand, the economy-based xenophobia is caused by intense economic competition in a market which is dominated by foreigners (Charman & Piper, 2012). The foreign traders in the local market provide stiff competition to local business owners by focusing on offering good prices, seeking lower profit margins and exploiting the opportunities existing in the local market (Abdi, 2011). This phenomenon creates rivalry against distribution of power and limited resources amongst the in group (indigenous people) and the out group (foreigners) in the country that leads to prejudice against the out group (Yakushko, 2009). Based on the above discussion, this study proposes that xenophobia might be indicated by two sources; the political-based xenophobia and economy-based xenophobia.

Hypothesis 1: The constructs of xenophobia will be indicated by two sources; i) political-based xenophobia, and ii) economy-based xenophobia.
XENOPHOBIA AND PURCHASE BEHAVIOR

Xenophobia, its antecedents and consequences have been the object in many research fields including psychological studies (Boehnke et al., 1998), political and economic studies (Roemer & Straeten, 2005), legal studies (Clermont & Eisenberg, 2007), as well as educational research (Harrison & Peacock, 2010). Most of these researches focus on the context of attitudes towards immigrants in their respective field of studies. However, to the best of our knowledge, there is not yet research done to investigate the effects of xenophobia in consumer behavior and marketing research, particularly on the purchase behavior towards the foreign products. In operationalizing the construct of xenophobia into the context of foreign products purchase, this study proposes to conceptualized consumer xenophobia as fear or phobia against strangers or foreigners in terms of emotional and attitudinal reactions caused by the negative experiences or stigma that critically influences the adaptation of xenophobia into purchase behavior, causing the reluctant to buy products produced by foreigners.

Previous researches on the repulsion towards the foreign products mostly included the constructs of consumer animosity and consumer ethnocentrism (Klein, et al., 1998; Shin, 2001; Klein, 2002; Nijssen & Douglas, 2004; Etenson & Klein, 2005; Karanovic et al., 2005; and Rose, et al. 2009). Similarly, the construct of consumer racism have been used to study the repulsion on domestic products of ethnic origins (Ouellet, 2007; and Hill & Paphitis, 2011). Since xenophobia is one of the concept that portray the repulsion towards everything foreign (Josiassen, 2011), it is possible that the construct of xenophobia might as well explain the phenomenon of repulsion towards foreign products purchase. Based on this reason, this study suggests that as the xenophobic tendencies increases, people are less likely to purchase foreign made products.

**Hypothesis 2:** Xenophobia will be negatively related to willingness to buy.

To date, there is dearth of study empirically documented the effects of xenophobia on purchase behavior. However, media have generally provided hints on the effects of xenophobic attitudes in business and consumer consumption. For instance, Clewley (1998) reported the controversial ‘Buy Thai’ campaign featured the negative nature of imported goods gained complaints by several foreign embassies in Thailand. Meanwhile, Chura (2002) reported American consumers became suspicious in terms of their behavioral purchasing after the September 11 attacks on World Trade Centre (WTC) as result of psychological effect of xenophobia. Moreover, foreign students whom admitted to study in United States were reported to have difficulties in obtaining visa application due the restrictions and tighter immigration rules as consequences of xenophobia (Lord, 2001). Based on this discussion, it is expected that consumer who harbor xenophobic tendencies tend to have less favorable judgments on foreign made products. Therefore, this study postulates that xenophobia will affect consumer evaluation on foreign made products.

**Hypothesis 3:** Xenophobia will be negatively related to product judgments.

Consumers often evaluate cues from extrinsic attributes of a product before showing their willingness to pay (Cordell, 1997). The product evaluations have a significant impact on the beliefs held by consumer towards their purchase action (Bredahl, 2001). This is supported by findings from previous researches which have consistently found the positive relationship between product judgments and willingness to buy (Klein et al., 1998; Shoham et al., 2006; Rose et al., 2009; Mostafa, 2010; and Guido et al., 2010). Consumer with positive judgments of foreign made products will report a stronger intention to purchase such products whereas consumers with negative judgments of foreign products will report a weaker intention to purchase such products. Therefore, the following hypothesis is will be proposed:

**Hypothesis 4:** Product judgments will be positively related to willingness to buy.

Several studies on the negative attitudes towards foreign products purchase employed product judgments as moderator in explaining the effects of negative attitudes on willingness to buy (Wang & Chen, 2004; Hong & Kang, 2006; and Rose et al., 2009). Shin (2001) suggests to include the moderating or mediating variable to examine whether it could reduce the effects of negative attitudes on foreign products purchase. To fulfill this gap, this study will propose to examine products judgments as mediating variable that will mediate the relationship between xenophobia and willingness to buy. Thus, this study postulate that judgment deriving from xenophobia might cause consumers to reject the foreign products not because of the quality it portrays but because of the resentment feelings they have towards the foreigners.

**Hypothesis 5:** Product judgments will mediate the relationship between xenophobia and willingness to buy.

THEORETICAL BACKGROUND

THE ANIMOSITY MODEL OF FOREIGN PRODUCT PURCHASE

To conceptualize the construct of xenophobia as a negative attitude that predicts the repulsion towards the foreign products, the animosity model of foreign products purchase developed by Klein et al. (1998) will serve as the theoretical foundation in this study. The model proposed that consumer might avoid buying foreign products because of the remnants of antipathy related to previous or ongoing military, political, or economic events. This antipathy then translated into consumer’s purchase behavior in the international marketplace through the repulsion towards the foreign products. However, the antipathy effect is independence of product judgments. This model suggests that even consumers refuse to buy the foreign products, however they do not evaluate negatively the extrinsic attributes of the foreign products.
PROPOSED CONCEPTUAL FRAMEWORK

Based on the review of literatures, this study proposed a conceptual framework as illustrated in Figure 1. The variables that will be used in this study are: xenophobia as independent variable, product judgments as mediator, and willingness to buy as dependent variable.

Figure 1: The Proposed Conceptual Framework

METHODOLOGY

This study attempts to predict the construct of xenophobia as one of the factor that would contribute to the negative attitude towards foreign product purchase. To test the relationships between the proposed variables, the hypothesis testing is selected to explain the nature of the relationships between independent variable; xenophobia, mediating variable; product judgments; and dependent variable; willingness to buy.

This research will focuses on the purchase behavior of Malaysian consumers. Therefore, the unit analysis in this study will consists of individuals’ consumer across regions in Malaysia particularly adult consumers. Generally, adult consumers are the primary user of the products and services, and owned fixed income to cater their buying power in the marketplace. Furthermore, the accessibility of adult consumers is quite easy to find so it could help to increase response rate for the survey hence improve the validity of the results.

SAMPLE, SAMPLING TECHNIQUE, PROCEDURE AND METHOD OF ANALYSIS

According to Roscoe (1975), sample size that larger than 30 and smaller than 500 is appropriate for most social research. Supported by Cavana et.al. (2001), they indicate that sample size between 30 and 500 could be effective depending on the type of sampling design used and the research question investigated. Moreover, Hair et.al. (1995) recommend that for each independent variable in multivariate analysis, the desired level is between 15 to 20 observations, which give the minimum ratio of 5 to 1. Roscoe (1975) suggests that the sample sizes should be several times (preferably 10 times more) as large as the number of variable employed in a study.

In term of sampling procedure, nonprobability sampling will be selected to minimize the sampling error since the probability of elements in the population of being selected as a sample is unknown (Zikmund et.al., 2007). Researchers can use their personal judgment to select the sample since nonprobability sampling technique is quite subjective. Therefore, this research will use nonprobability sampling of quota technique as a procedure to select sample from the population. The selection of sample will be based on specified quota of certain categories; i) region, ii) gender, and iii) ethnic groups. This is to make sure that the appropriate subgroups of the population are identified and included in this study. However, the generalization of findings is only limited to the context of current study.

For data analysis, SEM will be utilized to explore the relationships between the measurement items and each construct included in this study. In order to assess the validity and reliability to construct of measurement items, exploratory factor analysis (EFA) will be employed in this study. Based on Cavana et.al. (2001), factor loading for EFA should be greater than 0.3, but to be more parsimonious, using loading greater than 0.4 is recommended. Subsequently, confirmatory factor analysis (CFA) will be used to confirm the specific relationships underlying the set of variables in the model (Hair et.al. 2010). According Hair et.al. (2010), standardized loading for CFA for measured constructs to be accepted is 0.5, but ideally it should be above 0.7 to indicate internal consistency.
RESEARCH INSTRUMENT

Questionnaire survey will be employed in this study to collect data from the sample of consumers across region in Malaysia. Personally administered questionnaire is a good way to collect data because the researcher can collect the complete responses within a short period time compare with interviewing technique. Besides that, the researcher can provide clarification on the spot regarding the doubts that respondents might have during answering the questionnaire.

The measurement items will be adapted from the previous studies. However, it will be undergone through a deliberate changes and modifications to suit the context of current study. The 7 point Likert scale of “strongly disagree” and “strongly agree” as suggested by Vagias (2006) will be used throughout the questionnaire. The 7 point Likert scale is more likely to reflect a respondent’s true evaluation of usability of items in the questionnaire because it appears to balance between sensitivity and efficiency of scale in survey construction (Finstad, 2010).

EXPECTED FINDINGS

It is expected that this study will reveal the construct of xenophobia as one of predictor that predicts consumers’ repulsion toward the foreign products. The finding will expect that consumers with xenophobic tendencies will be less favorable on the foreign products, thus they will be less willing to buy them. Even so, this study will also expect that consumers might reject the foreign products not because of the negative judgments they have on such products but solely because of the resentment feelings that they harbored towards the foreigners. The resentment feelings that they have might be rooted from the strong negative emotions which consequently lead to the rejection towards the foreigners and the foreign made products. However, it should be acknowledged that xenophobia is a quite sensitive topic in nature. Hence, it is anticipated that the outcome of this study will be relatively biased depend on the honesty of the respondents in answering the questionnaire which will be address as a limitation to the current study. The findings may encourage the future studies in the area.

CONCLUSION

The study attempts to conceptualize the construct of xenophobia as a negative attitude affecting the purchase behaviour towards the foreign made products in the context of Malaysia. A conceptual framework is proposed with 5 hypotheses to be tested. The relationships between the variables are proposed to test using Structural Equation Model (SEM). The findings from this study are expected to contribute to the growing body of knowledge in consumer behaviour and marketing by introducing the new construct of xenophobia in predicting the consumer repulsion towards foreign products. However, certain limitation of the study is also addressed.

REFERENCES

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