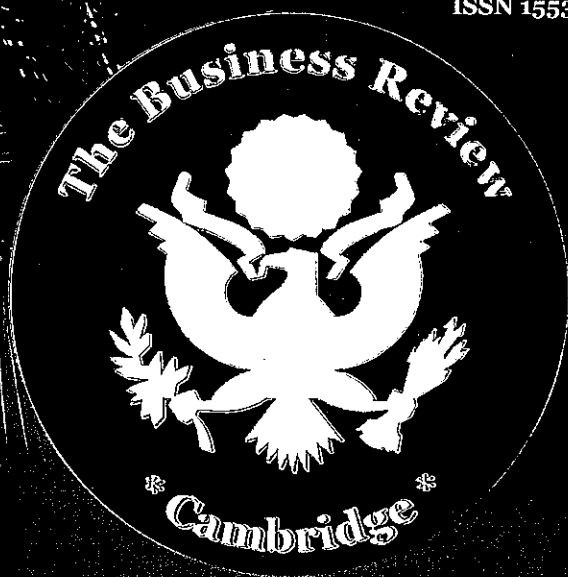


Cover Story: An Empirical Investigation of Personality Antecedents and Performance
Consequences of Customer Orientation.#1

Volume 13 * Number 2 * December 2009
ISSN 1553-5827



Radical Innovation

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THE BUSINESS REVIEW, CAMBRIDGE

VOLUME 13 * NUMBER 2 * December 2009

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Consumer Ethnocentrism and Influence of Role model on Young Female Purchase Intentions towards Cosmetic Product

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ABSTRACT

The study investigates the purchasing behaviour among young female consumers toward local cosmetic products. Four variables (consumer ethnocentrism, direct model influence, indirect role model influence and female friends influence) were examined the relationships with purchase intention of young adult females. The study that involved 198 respondents indicated significant differences in terms of ethnocentrism level among races and monthly allowances. All the four variables were found positively related to purchase intention but regression analysis indicated only three variables (direct model influence, indirect role model influence and female friends influence) as significant predictors. The findings have implications on practitioners in terms of marketing strategies and the targeted consumer groups.

Keywords: cosmetic, female, ethnocentrism, role model, Malaysia

INTRODUCTION

The cosmetic industry is a multinational, multi-billion-dollar-industry that cannot be separated from women. Cosmetics are not only make-up and perfumes but also come in many forms ranging from powders, facial make-up, soap, shampoo and skin care. One of the major firms, the oldest and the largest is L'Oreal, which was founded by Eugene Scheueller in 1909. Cosmetics are used among female for beautifying purposes which includes cleaning body parts, changing skin tones and colors that make the users feel good about themselves. Since beginning, cosmetics companies have targeted female audiences and more are also competing to reach younger female audiences. Companies are building their products, which they called light-based products, to attract younger consumer. (Kumar et al., 2006). In addition, due to the revolutionary technology, more and more companies have an ability to produce for their consumers regardless of sex, age group and ethnic background. Young consumers are always seen as trendsetters who have major influence on purchase decisions of their peers and parents (Zollo, 1995). It also has been studied that during these young ages, the consumers started to develop their loyal buying pattern and most likely to continue with them throughout their adult lives (Moschis, 1985). Research has proven that the buying pattern formulated among young consumers was influenced by variety of outside factors or environmental factors. Among which, the outside factors that might influence these group of consumers are parents, siblings, friends, and celebrity endorsers (Adomaitis and Johnson, 2008; Liu et al., 2007; Clark et al., 2001). According to Wang and Chen (2004) given that consumers' preferences on domestic or imported product are actually based on quality, this might influence their purchase preferences. The impact of Consumer Ethnocentrism (CE) will also differ according to the type of countries (Batra et al., 2000; Alden et al., 1999). Many studies on CE were done in developed countries and therefore the findings on consumer purchasing behavior may not be generalized in other countries particularly in developing nations and ethnocentric tendencies of consumers could be expected to exhibit different degrees of influence in developed and developing countries (Nguyen et al., 2008). The present study focused on young consumers as they have been recognized today as an increasingly important group in terms of their purchasing behavior, their attitude and their impact on the national economy. The major purpose of conducting this study is mainly to determine factors that influence the purchase intention of local cosmetic products among young females. Several variables were examined as the potential factors that influence the purchase intention. They were role models influences and consumer ethnocentrism. The present study also sought to examine the level of consumer ethnocentrism across races and monthly allowance. Nevertheless, before any behaviour can be changed, it is necessary to evaluate the current state of consumer awareness and knowledge. These young consumers are segmented as considerably having higher education level because they are the consumers of the future and capable of making a difference for future buying decision making. With the stiff competition on numerous brands of cosmetics from local entrepreneurs and imported brands in the market, this might provide the marketers of each brand with ample possibilities to create marketing programs that fit their target consumers.

OBJECTIVES OF STUDY

As expounded earlier, the major aim of this paper was to examine the effects of role models and consumer ethnocentrism on young female consumers' purchase intention towards cosmetic products. Specifically, the objectives of the study were to:

1. examine to what extent demographic characteristics influence the respondents' CE;
2. determine the relationship between role model influences and purchase intention;
3. determine the relationship between CE and purchase intention.

LITERATURE REVIEW

Overview of cosmetic industry in Malaysia

The cosmetics and toiletries in Malaysian market is valued at approximately RM3 billion or about US\$800 million, with a growth rate of 13% annually (Ahmad, 2004). It is projected that there are more than 60,000 types of cosmetic products in the local market. The local cosmetics and toiletries industry generally involves mixing and formulating processes, using imported ingredients. Many of these companies are contract manufacturers, mainly for products such as shampoo and conditioners, other hair care products, perfumes and cosmetics. The Federation of Malaysian Manufacturers – Malaysian Cosmetics and Toiletries Industry Group (FMM-MCTIG) (The Cosmetic, Toiletry and Fragrances Association of Malaysia, 2009) reported that there are now about 50 small and medium sized local companies producing cosmetics which can be divided into several categories such as color cosmetics, skincare, toiletries, hair care, perfumes and fragrances. There are also other brands imported from other countries such as Thailand, the United States, France, Singapore and Japan which have been dominating the Malaysian market for many years (Ahmad, 2004). Malaysia as a developing country has opened itself for international business that provides opportunities for international market. Attitude toward products originating from foreign countries has been an interest among marketers and studies about consumers' behavior have been established for many decades.

Influence of role models on young female's purchase intention

Adolescents are often predisposed by diversity of outside interests while adopting their own set of self-image, lifestyle, and consumption patterns. A significant amount of research in the social sciences has been devoted to determining how consumers develop these particular consumer behaviors and what variables or factors influence consumers. Two models of human learning, the cognitive-psychological model and the social learning model, have been utilized extensively to explain and predict how consumers make consumption-related decisions (Moschis and Churchill, 1978). In communication and advertising research, the social learning model has often been a popular choice for explaining consumer behavior (Moschis and Smith, 1985). These experiences can occur in a variety of contexts as consumers are exposed to a multitude of different influences and adventures, and are extremely important in shaping the consumer behavior of young adults and adolescents (King and Multon, 1996).

Determining the specific factors that influence young consumers and their purchasing attitudes and patterns has become an important focus of consumer research. Much of this research focuses on modeling behavior. Within social learning theory, it is proposed that individuals develop general behaviors and attitudes by modeling the behavior of others (Bandura, 1977). This model often become "role" models for the individual, influencing the career aspirations, educational objectives, and self-views of young people. A study by Basow and Howe (1980) found that both fathers and mothers had a more significant influence on young adult career and education objectives than any other group, including peers, teachers, and other adult role models. These studies imply that direct contact with these groups of people would be able to exert certain influence on the young adult decision making and intention. Further, as posited by Moschis (1985), family (or more specifically parental) influence on consumption patterns and attitudes often overrides any other form of influence. Based on these evidences, the following hypothesis is forwarded:

H1: Direct role model has a significant influence on young adult purchase intention.

The other source of influence could also be derived from indirect contacts with famous people like celebrities and renowned leaders. Normally, young adults are easily influenced by their appearances and charisma. Martin and Bush (2000) established that there are at least two specific categories of indirect role model that exhibit significant influence on the consumption-related behaviors and attitudes of adolescents. These two categories include the adolescent's favorite entertainer and the adolescent's favorite athletes. In terms of entertainers and athletes, although it has been shown that these individuals can influence purchase intentions and attitudes, certain

characteristics of this category, such as credibility, relevance, and success attainment, can moderate the impact these individuals have on consumer purchase intentions and attitudes (Ohanian, 1990). Successful endorsers can increase consumer's purchase intentions and preference towards brands directly or indirectly. Endorsers with strong major credibility source factors such as expertise and trustworthiness can significantly affect consumer purchase intention (Ohanian, 1991). Based on the findings from prior studies on indirect role model influence toward adolescent, the following hypothesis is put forward:

H2: Indirect role model has a significant influence on young adult purchase intention.

Influence of consumer ethnocentrism (CE) on young female's purchase intention

"Consumer ethnocentrism" (CE) refers to consumer-held beliefs about the appropriateness and morality of purchasing foreign-made products (Shimp and Sharma, 1987). Past researchers have proven that in developed countries consumers have more preferences of domestic product over foreign merchandise, particularly when they do not have enough information about the brand (Bilkey and Nex, 1982). This emerged due to differences in level of economic and technological development, not only on product quality but values and attitude toward consumption will also differ between developed and developing countries. Buying imported products is perceived as unpatriotic and hurting the domestic economy that results in job losses. CE may play a significant role when people believe that their personal or national well-being is under threat from imports (Shimp and Sharma, 1987). The more importance a consumer places on whether or not a product is made in his/her home country, the higher his/her ethnocentric tendency (Huddleston et al., 2001). Empirical results of Shimp and Sharma's study showed that American consumers attitude toward imports are negatively correlated with ethnocentric tendencies indicating the stronger the ethnocentric tendencies the more likely the individuals intend to purchase a domestic brand. Generally, consumers in developed countries perceived domestic products as more superior to imported products (Damanpour, 1993; Elliot and Camoron, 1994). On the contrary, the opposite statement on perceived quality of domestic products is considered true only for consumers in developing countries (Batra et al., 2000; Wang et al., 2000). These findings give an indication that the impact of ethnocentrism on purchase intention vary across the type of nations. Given the sample consumers of the present study who are Malaysians, it is expected that the higher the ethnocentrism, the more would be the purchase intention for domestic brands. The following hypothesis follows:

H3: The higher the ethnocentrism, the more would be the intention to purchase domestic brands.

RESEARCH METHOD

Sampling Design and Data Collection

The respondents for the study consisted of young female who were studying in universities. The respondents were selected from three different program of studies namely foundation level, diploma and bachelor's degree. This study was conducted using judgmental sampling because respondents were selected based on the identification that they have gone through Malaysian studies or moral studies and basic economic courses. The reason being is that respondents are able to understand the phenomenon of being patriotic and consequences of money outflow from the country. The control characteristics were gender and the monthly allowance. Data were collected using questionnaires that were distributed among the potential respondents. In order to ensure that the data is collected from the right sample group, information in demographic section (in the questionnaire) is used as a control measure.

Research Instruments and Statistical Test

In the present study, three constructs were examined: CE, role model and purchase intentions. Structured questionnaires were used in the data collection using seven point Likert scale ranging from (1) extremely disagree to (7) extremely agree to measure the young female purchase intention, ethnocentric tendency and role model influence. The questionnaire contains four major sections that measure *role model influence*, *CE*, *cosmetic product's purchase intention* and demographic information. The questionnaires were pretested among 30 young female randomly selected from various programs. Minor revisions were made after pre-test and revised questionnaires were checked for content validation.

Role model influence was measured using the items used in Liu et al. (2007) and Clark et al. (2001). These items address the role model influences towards purchase intention of cosmetic products. The scales were first refined using cronbach alpha and factor analysis. Role model extracted three factors at an eigenvalue of 1.19 and 31.32 percent variance extracted. All the factors then were renamed as *Direct role model* (mother and sisters) and

Indirect role model (celebrities and endorsers) and *Female Friends Influence*. The results indicate that 4 items in role model scale were deleted due to its low inter-item-total correlation (<0.30). Other items of the scales used has satisfactory item-total correlation (>0.40) as well as cronbach's alpha (>0.70) (Nunnally and Bernstein, 1994). *Purchase intention* was measured using items developed by Mincheol (2001) that inquired the female consumers about the likelihood of their purchasing intention of the local cosmetic brand products.

To determine each respondent's level of *consumer ethnocentrism (CE)*, the researchers used the CETSCALE, a seven-point likert scale (1 = strongly disagree) developed by Shimp and Sharma (1987). This scale has been tested and found to be reliable and valid in the USA, France, Japan, West Germany (Netemeyer et al., 1991), Korea (Sharma et al., 1995) and Poland (Good and Huddleston, 1995). Coefficient alpha ranged from 0.91 to 0.96 in all of the above studies, giving evidence of internal consistency. Unidimensionality, factor structure invariance, discriminant validity and nomological validity of CETSCALE have also been established (Netemeyer et al., 1991; Shim and Sharma, 1987). A reliability test on all the items produced cronbach's alpha of 0.916 and it demonstrates that the items used in CETSCALE are internally consistent. All the data were analysed using SPSS version 16. As to test all the hypotheses, statistical tests like one way ANOVA, Pearson product-moment correlation and multiple linear regressions were used.

DATA ANALYSIS

Demographic Analysis of Respondents

Majority of the respondents were Malays (46%) and Indians (39.4%) with 64.7% were doing their bachelor's degree program and 32.6% were doing their diploma. The statistics on monthly allowance indicated 29.8% of the respondents received RM250 to RM500 and 35.9% received less than RM1500 per month. The figures also showed that majority of the respondents (43.3%) purchased imported cosmetic brands only once in a month and almost 40% of them indicated that they never purchased any imported brands. When asked whether their preference for local products was due to unfavorable economic condition, almost 60% of them give affirmative answers.

One-way ANOVA test was conducted to examine differences in CE across different races. The results indicated that there was significant differences among races in terms of CE, $F(3, 190) = 7.418, p < .05$. Given the significant results, a Tukey HSD test was used to identify where the significance lay. Looking at the test output, it was found that the Malay respondents had significantly different mean CE from the Chinese (mean difference = 1.17970, $p < .05$) and Indians (mean difference = .43460, $p < .05$). Whereas the mean CE for the Chinese was significantly different from the Indians (mean difference = -.74510, $p < .05$). The positive mean differences between the Malays and the other two races signified the former group had higher level of CE and the Indians had relatively higher level of CE as compared to the Chinese.

Table 1: One Way ANOVA for CE Scores across Races (ANOVA)

CE	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	23.045	3	7.682	7.418	.000
Within Groups	196.747	195	1.036		
Total	219.792	198			

Table 2: Multiple Comparisons of Means among 3 Races and Their Purchase Intention

(I) G1. Ethnicity	(J) G1. Ethnicity	Mean Difference (I-J)	Std. Error	Sig.
Malay	Chinese	1.17970*	.26887	.000
	Indians	.43460*	.15870	.034
	Others	.09949	.32483	.990
Chinese	Malay	-1.17970*	.26887	.000
	Indians	-.74510*	.27335	.035
	Others	-1.08021*	.39376	.033
Indians	Malay	-.43460*	.15870	.034
	Chinese	.74510*	.27335	.035
	Others	-.33512	.32855	.738

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

Another one-way ANOVA test was conducted to examine whether there exist differences in CETSCALE across different monthly allowances.

Table 3: One Way ANOVA for CE Scores across Different Monthly Allowance

ANOVA					
CE	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	22.558	4	5.639	5.360	.000
Within Groups	194.660	185	1.052		
Total	217.218	189			

Table 4: Multiple Comparison of Means among 3 Races and their monthly allowances

(I) Monthly salary/allowance?	(J) Monthly salary/allowance?	Mean Difference (I-J)	Std. Error	Sig.
<Rm250	RM251 - 500	.19218	.17961	.822
	RM501 - 750	.90452*	.27948	.013
	RM751 - 1000	.21922	.34111	.968
	>RM1000	.01530	.28698	1.000
RM251 - 500	<Rm250	-.19218	.17961	.822
	RM501 - 750	.71233	.28572	.097
	RM751 - 1000	.02704	.34624	1.000
	>RM1000	-.17688	.29307	.974
RM501 - 750	<Rm250	-.90452*	.27948	.013
	RM251 - 500	-.71233	.28572	.097
	RM751 - 1000	-.68529	.40711	.447
	>RM1000	-.88922	.36296	.108
RM751 - 1000	<Rm250	-.21922	.34111	.968
	RM251 - 500	-.02704	.34624	1.000
	RM501 - 750	.68529	.40711	.447
	>RM1000	-.20392	.41229	.988

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

Analysis on Correlations Tests between CE and Purchase Intention

A Pearson product-moment correlation test was used to determine if there exists any association between CE and purchase intention. The test output indicated positive significant relationship between CE and purchase intention ($r = .167$, $p < .05$). Thus higher CE scores were associated with higher purchase intention scores.

Table 4: Relationship between Consumer Ethnocentrism and Purchase intention among young female consumers

Variables	Mean	Std Dev	Correlation Coefficient
CE	4.0203	1.06715	.167*
Purchase Intention	3.9206	1.24079	

*. Correlation is significant at the 0.05 level (1-tailed).

Analysis on Correlations Tests between Role Model Influences and Purchase Intention

Using Pearson product-moment correlations test, it was found that there were positive significant relationship between the three types of role model and purchase intention (direct role model influence: $r = .459$, $p < .05$; indirect role model influence: $r = .436$, $p < .05$; and Female Friends influence: $r = .434$, $p < .05$). Therefore, it can be deduced that the higher scores for role model influences, the more would be the intention to purchase.

Table 5: Correlation between Role Model and purchase intentions

		Direct_RM	Indirect_RM	Female_influence
Purchase_Intention	Pearson Correlation	.459**	.436**	.434**
	Sig. (1-tailed)	.000	.000	.000

** . Correlation is significant at the 0.01 level (1-tailed).

Multiple Linear Regression (MLR) Analysis on Purchase Intention

Given the significant relationships between all the independent variables and purchase intention, an MLR was used to determine the level of contribution of all the variables in predicting purchase intention. The MLR output showed the independent variables altogether explained 37.3 percent of the variance (R square) in purchase intention, which is highly significant as indicated by the F-value of 27.403, $p < .05$. An examination of the t-values indicate that direct role model influence, indirect role model influence and female friends influence contribute to the prediction of purchase intention. However, CE is not a significant predictor ($p > .05$). As to determine which of the significant predictors make the stronger ones, a close look at beta coefficients were established. Direct role model influence with the highest beta coefficient (beta = .328) indicated that it makes the best predictor for purchase intention with indirect role model influence as the second best (beta = .274) and female friends influence as the least best predictor (beta = .271).

Table 6: Multiple regression analysis of CET, Role Model and Purchase Intention
ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	109.055	4	27.264	27.403	.000 ^a
Residual	183.067	184	.995		
Total	292.122	188			

a. Predictors: (Constant), CBTSKALE, Direct_RM, Indirect_RM, Female_influence

b. Dependent Variable: Purchase_Intention

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.372	.341		4.020	.000
	CE	-.079	.073	-.068	-1.082	.281
	Direct_RM	.254	.048	.328	5.294	.000
	Indirect_RM	.246	.058	.274	4.272	.000
	Female_influence	.219	.052	.271	4.217	.000

a. Dependent Variable: Purchase_Intention

DISCUSSION ON FINDINGS AND IMPLICATIONS

The focus of this study is to examine the influence of consumer ethnocentrism, and role model in the judgment of young female consumers' intention to purchase local cosmetic product compared to imported brand. Comparison between groups on different race and family income were also investigated. The analysis is based on 198 female consumers who are students in higher education of institutions. Consistent with previous study done on an advance economy (Shimp and Sharma, 1987; Ngyuen, Ngyuen and Barrett, 2008) consumer ethnocentrism positively impacts the intention to purchase local product produced by Malaysians. This finding indicated that not only does CE has a direct effect on purchase intention, but role model also has a huge implication on female Malaysian towards local cosmetic brands.

Research indicated that consumers in developed countries are likely to perceive local products as having more quality than the imported brands. Therefore ethnocentric tendency is positively related to the preferences for local products (Sharma et al., 1995). In developing country the opposite statement is considered true as consumers tend to perceive local product as having lower quality (Batra et al., 2000). However the findings of this study tell a different story. Consumer ethnocentrism plays an important role in purchasing local product not only in developed

country but also in developing country like Malaysia. The findings found that ethnocentrism level differs according to races and household income. Using Pearson correlation test, both CE and role models have significant relationship with purchase intention but when all the variables are tested the ability to predict purchase intention using MLR, it was found that CE is actually is no longer predictor of purchase intention. The regression tests showed only role models as significant predictors of purchase intention. Therefore, it is suggested that when it comes to planning marketing strategies that targeted to young consumers, the positioning strategies on cosmetic product to the younger Malaysian market has to be revisited.

Marketers must understand the idea of using the traditional marketing tools such as price promotions, sales promotion and brand advertising are insufficient for attracting consumers to buy local brand. Marketers has to acknowledge the powerful influence of both direct and indirect role models in building the interest and trust of younger consumers on Malaysian made cosmetics and that local made cosmetics are at par or even better than the imported ones. Younger consumers are always looking upon their closest female friends, sisters and mother in building their self image. Individual with such reputations are not only seen as more trustworthy (Barclay, 2004) but they are more desirable as friends, allies, leaders and even romantic partners (Cottrell, Neuberg and Li, 2007). Thus by using celebrities as well as ordinary people who came from all walks of life will give an idea that these people represent the identity of the young female consumers in stimulating the likeliness towards local brand is vastly important. Given the fact that consumer ethnocentrism is no longer significant predictor after taking into account the effects of role models, it should be noted that banking on "Buy Malaysian Products" slogan is by far less effective. Nonetheless, acknowledging the study findings that indicated relatively high level of ethnocentrism among Malays and those with lower monthly allowances (less than RM250), utilizing CE as to entice them to purchase local made cosmetics may be effective. Therefore for the local marketers, the findings of this study suggest that brand positioning strategy based heavily on physical attributes of the brand is no longer suitable. Such positioning strategy projects the superiority of imported products and implies the inferiority of local products

LIMITATIONS AND RECOMMENDATIONS FOR FUTURE STUDY

This study has number of limitations. The first one is only one product category was investigated although the product (cosmetic) is considered important to the young consumers as necessity for them. Therefore, other product such as clothing or food should also be examined in future research. The second limitation is this study is conducted in Klang Valley, Malaysia where young consumers were well exposed to foreign brands and maybe consumers in rural area may exhibit different attitude toward purchasing cosmetics. Other limitations are since the study was conducted utilizing sample of University students, should it still remain to be seen the same of the findings of this study is extended to a broader spectrum of Malaysian consumers. In this context future research may want to investigate the validity of different setting (other than cosmetic). Another suggestion is that future research may also want to seek if there is any variable (such as halal) that can moderate the relationship between ethnocentrism and purchase intention as well as role model and purchase intention.

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