

# The effects of dogmatism and social class variables on consumer ethnocentrism in Malta

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Explores the effects of dogmatism and social class variables on consumer ethnocentrism and formulates hypotheses linking these variables. Also considers the effects of a number of classificatory variables on consumer ethnocentrism. Reports the findings from a survey of consumers in Malta which show not only that dogmatism and age are positively related to consumer ethnocentrism but also that consumer ethnocentrism is lower among consumers with higher levels of education. Discusses the implications of these findings.

## Introduction

A product is a complex bundle of attributes in which the consumer finds value. As products become more complex and as uncertainty about product attributes and performance increases, consumers' need for information will also intensify. Given the higher number of complex quality cues available, the importance of country-of-origin information is likely to increase as it provides a brief summary of the actual attributes of a product. It is one of the simpler cues that consumers can use and understand without much effort and enables them to make choices quickly (Wright, 1975). In developed countries consumers tend to evaluate imported products with reference to those made in their own countries. In developing countries the situation is often reversed and local products are evaluated in the light of imported products. This study explores the situation in the rapidly developing economy of Malta.

For the purposes of this study consumer ethnocentrism is seen as resulting from the assessment made of the country-of-origin information received about a product by consumers over time. Human information processing theory maintains that there are limits to the ability of human beings to assimilate and process information during any period in time (c. f. Jacoby *et al.*, 1974). The huge array of information is dealt with through a process of perceptual categorization (c.f. Bruner, 1957). Individuals are seen to form consistent impressions of objects early in the categorization process and this is swiftly accompanied by a drastic decline in openness to new information. This feature is built on the principle of cognitive economy with response to one stimulus, in this case country of origin, being extended to all features of the product including its quality.

This research sets out to explore the degree to which the personality trait of dogmatism and the variables that determine social class have an effect on consumer ethnocentrism in Malta. A model and hypotheses are proposed in which the level of consumer ethnocentrism varies with social class and dogmatism. Results are reported of a survey designed to test these two main hypotheses and implications are drawn for local manufacturers and

overseas exporters wishing to include Malta among their target markets.

## Ethnocentrism

Ethnocentrism is a sociological concept first introduced by Sumner (1906) that refers to a tendency to regard the beliefs, standards, and code of behaviour of one's own as superior to those found in other societies. Ethnocentrism often serves the socially useful function of encouraging cohesion and solidarity among group members but can also contribute to attitudes of superiority, intolerance, and even contempt for those with different customs and ways of life (Booth, 1979; Levine and Campbell, 1972; Wagley, 1993; Worchel and Cooper, 1979).

Consumer ethnocentrism has become a construct that is also important in marketing. It is used here in the same sense as used by Shimp and Sharma (1987) and represents "the beliefs held by consumers about the appropriateness, indeed morality, of purchasing foreign-made products". These authors developed an instrument, termed the CETSCALE (Consumers' Ethnocentric Tendencies) which sought to measure consumer disposition in purchasing US-made products versus those of other countries. Consumers exhibit different levels of ethnocentrism. On the one hand we have ethnocentric consumers who feel strongly about local products and see it as their patriotic duty to support local manufacturers, believing that it is wrong to buy imported products as this can cause unemployment and harm to the local economy. On the other hand, consumers who are non ethnocentric do not exhibit such concerns and tend to assess products on their own merits. However, in extreme cases of non-ethnocentrism it may be that foreign products are being preferred simply because they are foreign.

## Ethnocentrism and dogmatism

Personality traits include variables such as innovativeness, dogmatism, risk taking, and inner-outer directedness. Dogmatism refers to a personality trait that views reality in black and white. In the USA those exhibiting

less dogmatism have been found to display a more favourable attitude towards foreign products (Anderson and Cunningham, 1972). Shimp and Sharma (1987) report a statistically significant correlation of 0.40 between ethnocentrism and dogmatism in their "crafted with pride" study.

### Consumer ethnocentrism and social class

Social class may be defined as homogeneous and relatively permanent divisions in a society in which individuals and families sharing similar values, interests and behaviour can be categorized (Engel *et al.*, 1993). Consumers associate brands of products and services with social classes and this affects what products they buy. Such decisions have a direct impact on whether to buy foreign-made products as opposed to locally manufactured ones. Social classes and status systems exist everywhere and Malta is no exception. Gilbert and Kahl (1982) identify nine variables that have emerged as most important in determining social class. These include economic variables (occupation, income and wealth), interaction variables (personal prestige, association and socialization) and political variables (power, class consciousness, mobility). Normally occupation is the best indicator of social class. The work one does is often a reflection of one's education and affects one's status, consumption and life style, as well as type of family house and neighbourhood choice. Using the Hollingshead two-factor index to classify social class, Shimp and Sharma (1987) report that in their Carolinas study "the upper lower class is the most ethnocentric followed by the lower middle class and upper middle class".

Research indicates a number of other linkages with the individual variables relating to social class. Thus, it has been found that the acceptance of foreign products increases as income rises (Anderson and Cunningham, 1972). However, in the same study, occupation has not been found to have a significant influence. Similarly, education has been found to influence the choices of foreign goods by consumers and the higher their level of education the higher is the tendency to rate foreign products more favourably (Anderson and Cunningham, 1972; Dornoff *et al.*, 1974; Schooler, 1971).

### Ethnocentrism and gender, age and status

The effect of gender on made-in label is mixed. Schooler (1971) and Dornoff *et al.* (1974) report that women have a more favourable evaluation of products coming from abroad

than men while other studies find no effect (Anderson and Cunningham, 1972). Shimp and Sharma (1987) find that in their Carolinas study the effect of age varies by social class and only older working class individuals manifest ethnocentric tendencies. Min Han (1988), who carried out work in the USA, reports that patriotic intensity has a statistically significant relationship with age and sex.

### Hypotheses

The literature review indicates that numerous variables influence consumer ethnocentrism which, in turn, plays a mediating role between these variables and the attitude of consumers in buying foreign-made goods. This research is specifically concerned with testing the effects of:

- 1 dogmatism on consumer ethnocentrism. In line with the findings of Shimp and Sharma (1987) it is hypothesized that:  
*H1:* The higher the level of dogmatism the higher the level of consumer ethnocentrism.
- 2 social class on consumer ethnocentrism. Since no adequate classification system exists in Malta, the individual variables often associated with class are taken separately. On the basis of the literature (Anderson and Cunningham 1972; Dornoff *et al.*, 1974; Schooler, 1971; Shimp and Sharma, 1987) it is hypothesized that:  
*H2a:* The higher the level of education the lower the level of consumer ethnocentrism.  
*H2b:* The higher the level of income the lower the level of consumer ethnocentrism.  
*H2c:* Occupation has no effect on consumer ethnocentrism.  
*H2d:* The better the residence type the lower the level of consumer ethnocentrism.
- 3 In addition it is also intended to look at the effects of the classificatory variables of age, gender and marital status on ethnocentrism. On the basis of the literature (Anderson and Cunningham, 1972; Dornoff *et al.*, 1974; Schooler, 1971) it is hypothesized that:  
*H3a:* The higher the age the higher the level of consumer ethnocentrism.  
*H3b:* Gender has no effect on consumer ethnocentrism  
*H3c:* Marital status has no effect on consumer ethnocentrism.

### Model

The hypotheses discussed above are depicted in the model shown in Figure 1. It is envisaged

Albert Caruana and Emanuel Magri  
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Marketing Intelligence & Planning  
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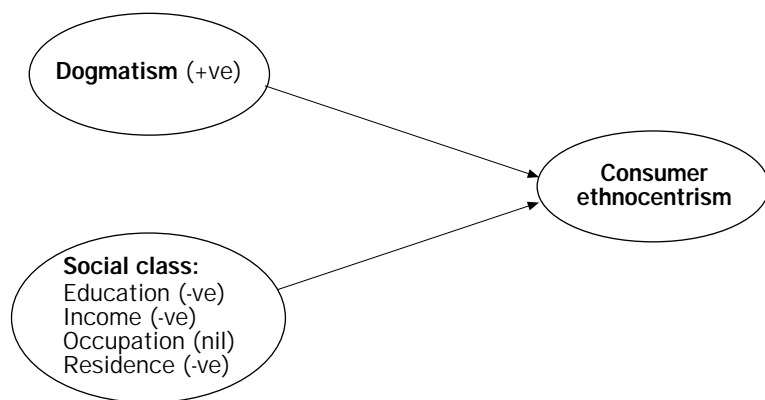
that dogmatism and social class are directly related to consumer ethnocentrism.

### Research design

To be able to investigate the relationships a research design was employed that involved postal questionnaires sent to 350 respondents chosen at random from the electoral register. The final questionnaire was made up of 31 questions that consisted of measures for consumer ethnocentrism, dogmatism, social class and classificatory variables.

Figure 1

Model depicting relationships between constructs



### The research instrument

Consumer ethnocentric tendencies were measured using the CETSCALE developed by Shimp and Sharma (1987). This instrument consisted of 17 seven-point Likert-type scales described by 1 = “strongly disagree” to 7 = “strongly agree”. Higher scores on this scale indicate that respondents believe in the appropriateness of purchasing locally made products while lower scores indicate a higher willingness to purchase products manufactured in other countries. In their study, which involved four samples, the authors report a reliability alpha (Cronbach, 1951) of between 0.94 and 0.96. Test retest reliability carried out with a five-week interval between administrations is reported for one of their samples and indicated a correlation of 0.77. Evidence for the scale’s convergent, discriminant and nomological validity is also provided. Some minor adjustments to the wording of some of the items was made so as to relate it to local circumstances. Dogmatism was measured using the instrument developed by Bruning, *et al.* (1985). This consisted of five six-point Likert-type scales described by 1 = “strongly

disagree” to 6 = “strongly agree”. Higher scores on this scale indicate that respondents are very dogmatic whereas lower scores indicate a higher willingness to admit error and more openmindedness. In their study the authors report a reliability alpha (Cronbach, 1951) of only 0.64 which is below the accepted level of 0.7 (Nunnally, 1978). The scale was therefore tried with a group of respondents to determine its appropriateness and the number of scale points was increased from six to seven, as this generally helps scale reliability (Churchill and Peter, 1984).

The major problem in using social class as a basis for marketing action is determining the variables to use in differentiating one class from another. Nowhere is this more so than in Malta where there is a dearth of empirical work in the area and no objective criteria exist for distinguishing between the different social classes. In the absence of clear classificatory categories of social class, this was measured by self-report-type questions requesting details of occupation, education, residence type, and income. Since asking income details is often problematic, because the right bracket may not be indicated, this was supported by two other questions that asked respondents about their ownership of the number of domestic cars and of a summer residence. Owning a summer residence is a practice that is fairly widespread in Malta. In addition, three other self-report questions were added. These dealt with the age, marital status and gender of respondents.

### Survey of consumers

A mail survey was directed to the 350 persons chosen at random from the electoral register for Malta (excluding Gozo – Malta’s sister island). The questionnaire was accompanied by a letter describing the study and its purposes, soliciting participation and assuring respondents of anonymity. In this respect the point was made that their names as respondents were not required. A reply-paid envelope for returning the completed questionnaire was also made available. By the cut-off date, three weeks later, 131 usable responses to the survey had been received, an effective response rate of 35 per cent.

### Results

#### Descriptive statistics

The CETSCALE and the dogmatism scale items were summed and descriptive statistics showed means of 56.80 (SD 26.95) and 18.20 (SD 7.27) out of maximum possible scores of 119 and 35 respectively. Normal probability (P-P) plots were obtained and the Kolmogorov-Smirnov test was applied. These indicated

that the data were a sample from a normal population. The mean score for the CETSCALE is low when compared with the results reported by Shimp and Sharma (1987) who report means for four American cities of: 68.58 (Detroit); 61.28 (Carolinas M); 57.84 (Denver M) and 56.62 (Los Angeles). The social class and other classificatory variables also exhibited acceptable distributions.

#### Reliability, dimensionality and validity

The CETSCALE reliability in terms of coefficient alpha (Cronbach, 1951) and standardized alpha is high at 0.96 for both, while that for dogmatism at 0.75 for both is also greater than 0.7 and therefore acceptable (Nunnally, 1978). These results indicate that the instruments are a reliable index of consumer ethnocentrism and dogmatism. To check the dimensionality and discriminant validity of the scales, principal components factor analysis followed by a varimax rotation was performed for the dogmatism and the CETSCALE. The two factors that result account for 58.4 of the variance. The clear loading patterns shown in Table I confirm the unidimensionality of the two scales and offer support for both nomological and discriminant validity (Carman, 1990).

#### Ethnocentrism vs dogmatism

At 0.38 the correlation between dogmatism and ethnocentrism confirms a significant positive linear relationship ( $p = 0.000$ ) while

**Table I**

Results of factor analysis of the CETSCALE and dogmatism scales

Item	CETSCALE	Dogmatism
Q1	0.706	0.210
Q2	0.695	0.301
Q3	0.598	0.375
Q4	0.709	0.351
Q5	0.797	-0.038
Q6	0.814	0.168
Q7	0.828	0.158
Q8	0.759	0.314
Q9	0.670	0.148
Q10	0.831	0.161
Q11	0.819	0.109
Q12	0.695	-0.011
Q13	0.796	0.146
Q14	0.790	0.026
Q15	0.780	-0.017
Q16	0.671	0.115
Q17	0.771	0.226
Q18	0.356	0.620
Q19	0.268	0.577
Q20	-0.025	0.692
Q21	0.030	0.769
Q22	0.036	0.764

the regression analysis between these two constructs (Equation 1 in Table II) confirms a significant relationship. Dogmatism explains 13.7 per cent of the variation in ethnocentrism. Therefore H1, which holds that the higher the level of dogmatism the higher the level of consumer ethnocentrism, is confirmed. Correlation of dogmatism with age indicates no significant relationship ( $r = -0.045$ ;  $p = 0.609$ ).

#### Ethnocentrism and social class variables

The regression analysis between the variables of social class and consumer ethnocentrism confirms a significant negative relationship between the education dimension of social class and consumer ethnocentrism. This was found to explain 10.6 per cent of the variation (Equation 2 in Table II). Therefore, H2a, which holds that the higher the level of education the lower the level of consumer ethnocentrism, was confirmed. The similar relationship with income (H2b) and residence types (H2d) were not confirmed. H2c, which hypothesized no relationship to occupation, was confirmed.

#### Ethnocentrism and the other classificatory variables

In the case of the classificatory variable of age the correlation with ethnocentrism indicated a significant positive relationship of 0.261 ( $p = 0.003$ ). The regression analysis between the classificatory variables of age, gender and status with consumer ethnocentrism explains 5.0 per cent of the variance (Equation 3 in Table II). These results confirm hypothesis H3a, that the higher the age the higher the level of ethnocentrism. They also confirm H3b and H3c, that gender and marital status do not appear to have an effect on consumer ethnocentrism.

#### All variables against ethnocentrism

The stepwise regression of all variables with consumer ethnocentrism confirms that dogmatism, together with education and age, are the only three significant variables and these together explain 23.5 per cent of the variance (Equation 4 in Table II).

### Discussion

In their 1987 work, Shimp and Sharma (1987) emphasized the need for further applications of the CETSCALE outside the USA. This study in the rapidly developing economy of Malta was embarked on in this light. Indeed there is no more fundamental requirement in science than that of replicability of findings (Epstein, 1980). "Research is not only a creative process, it is a discipline. Some concertos are best understood by being played more than once"

(Easley *et al.*, 1994). The concept of consumer ethnocentrism can improve our understanding of how consumers compare foreign-made products with those manufactured domestically. It also helps us to identify which characteristics have a direct bearing on the levels of consumer ethnocentrism. The main findings of this study are: first, the CETSCALE is a reliable instrument that has been successfully tested in Malta; second, of all the social class variables considered, it has been found that non-ethnocentric consumers tend to be better educated; third, the results show that consumer ethnocentrism tendencies are higher among older age groups; and finally, dogmatism has been found to have a direct effect on consumer ethnocentric tendencies. Understanding is the first step in the development of meaningful actions for successful policy implications. Although caution is advisable when interpreting and extrapolating statistical results, the findings in this research allow for some preliminary conclusions.

The reliability of the CETSCALE for Malta confirms that this instrument can be used by local companies in the study of consumer ethnocentric tendencies towards their particular products. The mean score obtained on the CETSCALE of 56.80 is comparable with that reported by Shimp and Sharma (1987) for Los Angeles. However, this perception does not simply mirror a non-ethnocentric consumer who chooses between products on their own merits. It is likely that it also reflects Malta's long years as a colony and the perception perhaps that foreign is better. The many comments written next to the answers for the

survey indicate that, rightly or wrongly, respondents perceive local manufacturers as "caring only about making substantial profits in the shortest time possible". However, some comments also offer hope to local manufacturers for many respondents have indicated a willingness to change, stating that, if the quality of the product ameliorates, they would prefer to buy the local product. It is important, however, that any improvements considered by local manufacturers must not be cosmetic but real. Thus an advertising campaign on its own is unlikely to be successful, and more fundamental changes may be required involving improvements in the quality of local products. Unless quality controls and standards are implemented, local firms will continue to fight a losing battle and many may eventually have to give way to foreign competitors. This is likely to be felt more if and when Malta joins the European Union. The results also indicate that local manufacturers of products targeted at the educated segment and at younger people are probably not well advised to use nationalistic appeals in their communications and they must ensure that their products truly offer value. The dogmatic individual is unlikely to be a successful target for any media campaign by manufacturers aiming to improve their image with local consumers. Dogmatic individuals do not change their perceptions easily as they essentially see the world in black and white. The absence of a significant correlation between dogmatism and age confirms that dogmatic individuals occur across age groups.

With a population of just over 350,000 and imports of goods and services during 1995 amounting to some £2 billion sterling, Malta is better known as a tourist destination. Although it is a rather small market, the findings of this study highlight the opportunity that exists for overseas firms that wish to include Malta among their target markets. The levels of consumer ethnocentrism reported confirm that their products are generally likely to face positive attitudes and easy acceptance.

Although this research tried to arrive at some conclusions representative of the general public, certain limitations are existent relating to the relatively small sample and the possibility of non-response bias that exists with postal questionnaires. The study does not include opinions of respondents from Gozo as these were specifically excluded. Since it is generally believed that the attitudes and beliefs of Gozitans are somewhat different this aspect must be borne in mind. There is the possibility of specification error as other variables, such as patriotism, may have an effect on ethnocentrism and these have not been considered. Moreover, some

**Table II**

Estimated coefficients from regression of consumer ethnocentrism with variables

Variable	Estimated coefficient			
	Equation 1	Equation 2	Equation 3	Equation 4
Dogmatism	1.396***			1.302***
Occupation		2.586		
Education		-10.892**		-8.213*
Residence		5.264		
Summer residence		-9.523		
Income		1.567		
Cars		6.158		
Age			0.581*	0.450**
Gender			2.432	
Status			2.116	
Intercept	31.475	77.736	32.265	37.734
F Statistic	21.643***	3.589**	3.271*	14.327***
R <sup>2</sup>	0.144	0.148	0.072	0.253
Adjusted R <sup>2</sup>	0.137	0.106	0.050	0.235

Significance at \*  $p < 0.05$   
 Significance at \*\*  $p < 0.01$   
 Significance at \*\*\*  $p < 0.005$

respondents may have been biased in their replies, especially if the questionnaire was completed in groups such as the case of a family. Notwithstanding that all replies were anonymous, another possible source of error could result from respondents' reluctance to reveal their true income; whether they owned a summer residence and more than one car. Another limitation of the survey was that respondents seemed to have wanted to explain their true feelings, perceptions and beliefs rather than just tick the point on the scale that they believed most matched their opinion. In fact there were many respondents who voluntarily added valuable comments. If the questionnaire had specifically asked for respondents' comments it is likely that some useful qualitative data could have been obtained in a more systematic manner.

Future research could consider a number of issues. The process by which consumer ethnocentric tendencies are socialized is particularly worth examining. The influence on early childhood socialization of consumer ethnocentric values by socioeconomic and demographic factors needs to be further considered. Besides the variables used within this study, the effect of such other variables as patriotism, advertising, and pricing can also be examined. Other research could investigate the effect on consumers' perceptions of products manufactured locally through subsidiaries of foreign companies registered and operating in Malta as opposed to the same product imported directly from abroad. Would the "made in Malta" label in such instances still carry the same perception as that of locally owned manufacturing companies? Is consumer ethnocentrism the same for different product categories or does it vary between say beer and shoes? Finally, there is a crying need to develop operational definitions for class structure in Malta that would allow the development and identification of empirically based clusters that describe and quantify the local social class categories.

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