



Malaysian Consumers Ethnocentrism: The Measurement Scale and Index

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ABSTRACT

The government has revived its campaign for “Buy Malaysian Goods” in 2010 after its last campaign in 2009, in due to an increase of foreign competition. The campaign is to remind consumers to be ethnocentric and patriotic when purchasing product and services. This study attempts to specify the demographic profile of ethnocentric consumers; to validate the scale of ethnocentrism and its antecedents, and; to determine ethnocentrism index for Malaysian consumers. From the literature, 7 antecedents of customer ethnocentrism were identified. Each variable is measured using 7-point Likert-scale: Culture openness (6 items), conservatism (6 items), collectivism (6 items), patriotism (6 items), control belief (10 items), interest in foreign travel (4 items), and attitude toward local product (8 items). From 1000 questionnaires distributed to households, 486 were returned representing 48.6% response rate. The exploratory factor analysis (EFA) of exogenous latent variables shows that most items conform back into its underlying components, thus, the instruments seem to surpass the convergent validity test. EFA of ethnocentrism however, diverts into two components: Ethnocentrism (11) and animosity (6). The findings indicate support for validity of measurement models of all variables utilized. But, the result revealed that the ethnocentrism index for Malaysian consumers is middle category index.

Keywords: Ethnocentrism, Culture Openness, Attitude

JEL Classification: M3

1. INTRODUCTION

The government has revived its campaign for “Buy Malaysian Goods” in 2010 after its last campaign in 2009 (The Insider May 12, 2010; The Star, Jan 16, 2009). The campaign is indeed appropriate to halt the mounting fear of local companies of dwindling profits. This is due to increased competition with foreign products which is made worse when the ASIAN countries need to abide to the ASEAN Free Trade Area Agreement involving 10 countries (Malaysia, Brunei, Indonesia, Singapore, Philippines, Laos, Cambodia, Myanmar, Thailand and Vietnam) (http://en.wikipedia.org/wiki/ASEAN_Free_Trade_Area). With the campaign in full swing, consumers will be reminded to be ethnocentric and patriotic when purchasing products and services.

Ethnocentrism is the preference of local citizens towards purchasing the country’s own products. It indicates that consumers

will willingly buy local products if the choice is available (Matic, 2013). However, with the influx of foreign competition and products into the country, there are more choices for the customers to choose the same product with different quality or product specification. This might lead to the great losses in revenue for local producers and might in turn increases the trade imbalance of a country.

Thus, the objectives of this study are: (1) To specify the demographic profile of ethnocentric consumers, (2) to validate the scale of ethnocentrism and its antecedents, and 3) to determine ethnocentrism index for Malaysian consumers.

This paper is structured as follows. First, we review the marketing literature on the antecedents of customer ethnocentrism. Next, we present the research framework, methods, measures and findings. Finally, the results were discussed in terms of its contribution to the campaign of “Buy Malaysian Product.”

2. LITERATURE REVIEW

The issue of ethnocentrism which is defined as the inclination to buy local products, has been a major concern in Malaysia since it directly affect the revenue of local corporations. A high ethnocentric person means that he/she prefers to purchase local products. To clarify this further, a person who prefers PETRONAS instead of ESSO or SHELL for their car petrol is high in ethnocentrism compared to those who fill petrol at foreign venues.

Researchers have investigated the relationships between consumer ethnocentrism (CET) with a number of socio-psychological variables. From our reading we have identified eight main antecedents *vis-à-vis*, (i) cultural openness (Sharma et al., 1995; Howard, 1989; Berkowitz, 1962; Skinner, 1959; Rosenblatt, 1964), (ii) patriotism (Sharma et al., 1995; Sumner, 1906; Adorno et al., 1950; Mihalyi, 1984; Han, 1988; Klein and Ettenson, 1999; Balabanis et al. 2001), (iii) conservatism (Sharma et al., 1995; Wilson and Patterson, 1968; Balabanis et al., 2002; Anderson and Cunningham, 1972; Wang, 1978) (iv) collectivism/individualism (Sharma et al., 1995; Nishina, 1990; Ettenson et al.'s, 1988; Hui and Triandis, 1986; Triandis et al., 1988), (v) control belief (TPB Theory, Ajzen, 1998), (vi) interest in foreign travel (Mooij, 1997; Douglas et al., 1998), (vii) attitude toward local product (TPB Theory, Ajzen, 1998), and (viii) animosity (Bahae and Pisani, 2009).

2.1. Ethnocentrism

CET is defined as “the beliefs held by consumers about the appropriateness, indeed morality, of purchasing foreign-made products” (Shimp and Sharma 1987. p. 280). Ethnocentrism has been described as an individual psychological disposition which has both positive and negative outcome (Neuliep and McCroskey, 1997). On the one hand, ethnocentrism serves as an antecedent towards “patriotism and willingness to sacrifice for one’s central group” (Neuliep and McCroskey, 1997. p. 389) and helps in constructing and maintaining one’s cultural identity (Chen and Starosta, 2004). Ethnocentrism is a social phenomenon implying a tendency to discern groups, a preference for things belonging to one’s own group and the perception of that group as being superior (Sharma et al., 1995).

Hence, ethnocentrism basically determined why consumers select the local product instead of overseas. In fact, ethnocentrism assisted to identify the elements that have significant effect on the final consumers’ purchase decision. Meanwhile, there are many factors that are able to significantly affect consumer ethnocentric tendencies and predict final consumers’ purchase decision (Matic, 2013).

2.2. Cultural Openness

Cultural openness is defined as awareness, understanding, and acceptance of other cultures (Sharma et al., 1995). Studies that found a negative relationship between cultural openness and CET (Shimp and Sharma, 1987; Howard, 1989) seem to have relied heavily on conventional wisdom that “cross-cultural interactions and travel opportunities can broaden one’s mind” (Berkowitz, 1962). As a matter of fact, Skinner (1959) observed

that members of a group that have “the most contact with new cultures such as border dwellers, travelers and diplomats tend to be extremely ethnocentric or nationalistic” (Rosenblatt, 1964. p. 138). Indeed, findings in (Abraha et al., 2015) showed the negative effect towards the relationship between culture openness and ethnocentrism.

2.3. Patriotism

Sharma et al. (1995) put forward the argument that patriotism, defined as love for or devotion to one’s country, is positively related to CET. Their logic was imported from earlier studies that dealt with ethnocentrism in general. For example, several authors contended that patriotism is not only related to ethnocentrism, but also acts as a defense mechanism for the in-group (Sumner, 1906; Adorno et al., 1950; Mihalyi, 1984). Empirical support for a positive relationship between patriotism and CET is provided by studies such as Han (1988), Sharma et al. (1995) and Klein and Ettenson (1999). Jain and Jain (2013) found that patriotism is among of the strongest variables that significantly affect the CET. Also, in Balabanis et al. (2001) found that patriotism had a positive relationship with ethnocentrism, however only for one of the two samples surveyed. They concluded that the effect of patriotism on ethnocentrism may vary from country to country, often because of historical events.

2.4. Conservatism

Conservative persons are those that “show a tendency to cherish traditions and social institutions that have survived the test of time and to introduce changes only occasionally, reluctantly and gradually” (Sharma et al., 1995. p. 28). In its extreme form, conservatism can manifest itself as religious intolerance, insistence on strict rules and punishments and on anti-hedonic outlook (Wilson and Patterson, 1968 in Sharma et al., 1995). Studies such as Sharma et al. (1995) and Balabanis et al. (2002) found a positive relationship between conservatism and customer ethnocentrism. A positive relationship was found by country-of-origin researchers between conservatism and attitudes toward foreign products (Anderson and Cunningham, 1972; Wang, 1978). A conservative consumer typically exhibits characteristics such as religious fundamentalism, pro-establishment orientation, insistence on strict rules and punishments, preference for the conventional and anti-hedonic outlook. In fact, in Jain and Jain (2013) found that conservatism is among of the key important factors that affect ethnocentrism.

2.5. Collectivism/Individualism

Collectivism/individualism is another socio-psychological variable used in past research as an antecedent to CET. In the field of psychology, extensive research have revealed differences between collectivist cultures and individualistic cultures (Hui and Triandis, 1986; Triandis et al., 1988). Collectivistic persons are likely to show ethnocentric tendencies because they consider their actions in relation to their societal group. Individualistic persons, on the other hand, will act for their own benefit and will show lesser degrees of ethnocentrism. These findings were confirmed in a study conducted by Sharma et al. (1995). As collectivists consider the effect of their actions on the larger group of the society, people with collectivistic goals “tend to reveal more intensive ethnocentric

tendencies than those with individualistic goals” (Sharma et al., 1995, p. 28). Empirical support for positive correlation between collectivism and CET can be found in studies such as Jain and Jain (2013), Nishina (1990) and Sharma et al. (1995).

2.6. Control Belief toward Foreign Product

Ajzen (1998) defines “control beliefs as the perceived ease or difficulty of performing the behavior and it is assumed to reflect past experience as well as anticipated impediments and obstacles” (Ajzen, 1988, p. 132). This refers to perceived control over a behavior, not the objective or actual amount of control a person has in a certain situation. Therefore, perceived control over a certain behavior in the same situation may differ, depending on the person’s perception of the control.

2.7. Interest in Foreign Travel

Foreign travel tends to reduce tendencies towards ethnocentrism where these stem from a lack of experience or knowledge rather than prejudice (Mooij, 1997). Individuals often learn about other cultures in school by reading about them, or by watching programs on television. However, actual experience of visiting or living in another country is likely to have the most profound effect on knowledge about other countries and other peoples’ life-styles and increase receptivity towards foreign products. Positive attitudes toward travel abroad will reflect a more international orientation. Nijssen and Douglas (1999) found that, while negative attitudes towards the purchase of foreign products are associated with patriotism, they are not necessarily strongly associated with lack of interest in foreign travel. On the other hand, more nuanced attitudes towards the purchase of foreign products appear to be associated with love of foreign travel and exposure to foreign countries.

2.8. Animosity

Animosity refers to personal feeling and preference of consumers towards foreign product. Conceptually, economic animosity seems to be consistent with the view that CET measures some elements of xenophobia (Shimp and Sharma 1987). It also refers to “attitudes of superiority, intolerance and even contempt for those with different customs and way of life (Caruana and Magri, 1996, p. 39). Netemeyer et al. (1991) note that highly ethnocentric consumers hold in contempt the objects and values of other groups. Klein et al. (1998) defined animosity as the “remnants of antipathy related to previous or ongoing military, political or economic events.” In Jain and Jain (2013), animosity is strongly affected the CET.

2.9. Attitude Towards Local Product

Attitude represents the person’s general feeling or favorableness or unfavorableness for the behavior in question” (Ajzen and Fishbein, 1980, p. 285). Kwok et al. (2006) on the other hand found that Chinese consumers generally have a preference for local brands. This however does not translate into actual purchase behavior. Shimp and Sharma (1987) noted that some consumers generally believe that buying products that are locally manufactures is morally appropriate in normative sense. Consumer with high ethnocentrism attitude in comparison to low ethnocentrism will prefer for local or home made products

or goods. This has been supported by Watson and Wright (2000) who found that even in cases where domestic products or goods are not available, consumer with high level of ethnocentrism will have more favorable attitudes towards product imported from culturally similar countries than product from culturally dissimilar countries.

3. METHODOLOGY

This study formulates the antecedents of ethnocentrism as shown in Figure 1. In the research framework, it shows that patriotism, culture openness, conservatism, collectivism, attitude, animosity, foreign product are direct antecedents of ethnocentrism. Table 1 summarizes the operational definitions of all latent variables used in this study.

3.1. Measurement

Each variable is measured using 7-point Likert-scale: Ethnocentrism/animosity (17 items), culture openness (6 items), conservatism (6 items), collectivism (6 items), patriotism (6 items), control belief (10 items), interest in foreign travel (4 items), and attitude toward local product (8 items). Table 2 summarizes the measurement of all constructs and their sources.

3.2. Sample Size

Using survey method, 1000 questionnaires were distributed using self-administered data distribution and collection method to households – selected randomly from electronic yellow pages to ensure national coverage. The number of returned questionnaires was 486 representing 48.6 percent response rate.

3.3. Analysis Method

The main analysis method is exploratory factor analysis (EFA) of exogenous and endogenous latent variables using principle component with varimax rotation method through SPSS to test for convergent validity. Reliability test was conducted through SPSS on each construct after factored by EFA.

Figure 1: Conceptual framework

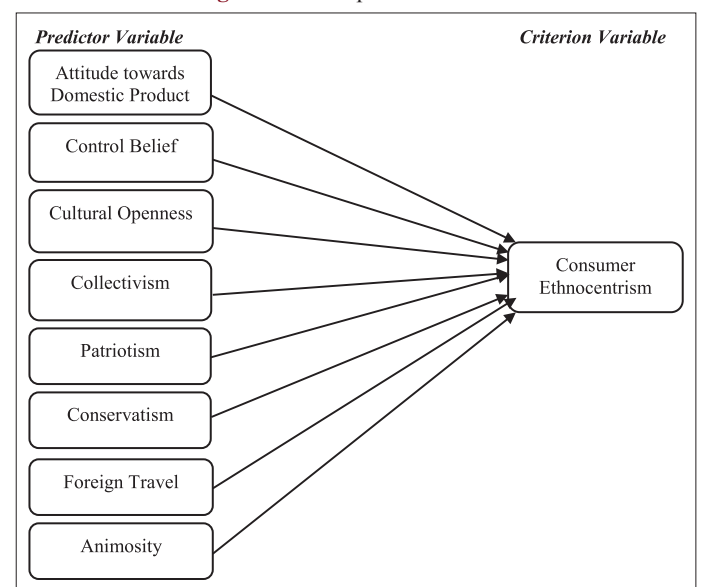


Table 1: Operational definitions of latent variables

| Variables | Definition |
|------------------|---|
| Ethnocentrism | Beliefs held by consumers about the appropriateness, indeed morality, of purchasing foreign-made products (Shimp and Sharma 1987. p. 280) |
| Patriotism | Love for or devotion to one's country (Sharma et al., 1995) |
| Culture openness | Awareness, understanding, and acceptance of other cultures (Sharma et al., 1995). |
| Conservatism | Show a tendency to cherish traditions and social institution and social institutions that have survived the test of the time (Shimp and Sharma, 1987. p. 28) |
| Collectivism | Collectivistic persons are likely to show ethnocentric tendencies because they consider their actions in relation to their societal group (Sharma et al., 1995) |
| Control belief | The perceived ease or difficulty of performing the behavior and it is assumed to reflect past experience as well as anticipated impediments and obstacles (Ajzen, 1988. p. 132) |
| Foreign travel | Interest towards traveling and exposure to foreign countries and to go abroad (Nijssen et al., 1999. p. 625) |
| Attitude | The person's general feeling or favorableness or un favorableness for the behavior in questions (Ajzen and Fishbein, 1980. p. 285) |
| Animosity | Attitudes of superiority, intolerance and even contempt for those with different customs and way of life (Caruana and Magri, 1996. p. 39) |

Table 2: Measurement (Instruments)

| Variables | No. items | Coding | Past study cronbach's alpha | Source |
|----------------------------------|-----------|-----------|-----------------------------|-------------------------------|
| Ethnocentrism/Animosity | 17 | CE1-CE17 | 0.932 | Shimp and Sharma (1987) |
| Patriotism | 6 | P1-P6 | 0.850 | Kosterman and Feshbach (1989) |
| Culture openness | 6 | CO1-CO6 | NA | Sharma et al. (1995) |
| Conservatism | 6 | C1-C5 | 0.840 | Ray (1983) |
| Collectivism | 6 | CI1-CI6 | NA | Sharma et al. (1995) |
| Control belief (domestic) | 5 | CBD1-CBD5 | NA | Ajzen (1988) |
| Control belief (foreign) | 5 | CBF1-CBF5 | NA | Ajzen (1988) |
| Foreign travel | 4 | IF1-IF4 | 0.79 | Nijssen et al. (1999) |
| Attitude towards local product | 4 | ATD1-ATD4 | 0.935 | Ajzen and Fishbein (1980) |
| Attitude towards foreign product | 4 | ATF1-ATF4 | 0.935 | Ajzen and Fishbein (1980) |

4. RESULTS

4.1. Demographic Profile of Respondents

Table 3 highlights that higher percentage of female (55%) as compared to males (45%) with an average age of 33 years in this study. Interestingly high proportions of them are still single (52%) while married respondents made up 47.2%. The majority of respondents had high school qualifications (59%) followed by bachelor's degree (33%) and masters education (6.1%). Most of them work in private sector (41.3%), followed by government sector (23%), own business (15%) and others (19%). Their houses vary from terrace housing (39%), double storey terrace (26.5%), bungalow (10.1%) and other types of housing (24.4%).

4.2. EFA

The result of factor analysis for the exogenous variables using principle component with varimax rotation indicates a measurement sampling adequacy indicator Kaiser-Meyer-Olkins (KMO) of 0.916. It explains the total variance of 64%. The final rotated factor produces seven components (attitude towards domestic product, control beliefs towards foreign product, cultural openness, collectivism, patriotism, conservatism and foreign travel). Most factor loadings achieved thresholds of more than 0.40 (>0.40) as shown in Table 4. Hence, convergent validity of each exogenous construct is supported. Attitude towards domestic product combines with control belief towards domestic product to form factor 1, while attitude towards foreign product and control belief towards

Table 3: The profile of respondents (n=486)

| Demographic factors | Frequency (%) |
|-----------------------|---------------|
| Gender | |
| Male | 168 (45.3) |
| Female | 203 (54.7) |
| Marital status | |
| Single | 191 (51.5) |
| Married | 175 (47.2) |
| Divorce/Separated | 5 (1.3) |
| Education | |
| School | 216 (59.3) |
| Bachelor degree | 120 (33.0) |
| Master | 23 (6.1) |
| Others | 5 (1.4) |
| Occupation | |
| Government | 86 (22.9) |
| Private | 155 (41.3) |
| Own business | 56 (14.9) |
| Others | 70 (18.7) |
| Type of housing | |
| Terrace | 145 (38.9) |
| Double storey terrace | 99 (26.5) |
| Bungalow | 38 (10.1) |
| Others | 91 (24.4) |
| Average age | 33 years |

foreign product combines into factor 2 called control belief towards foreign product.

The result of factor analysis using principle component with varimax rotation on endogenous variable ethnocentrism yields two factors, namely ethnocentric and animosity. The KMO measure

Table 4: Factor analysis using PCA and (varimax rotation)

| Exogenous variables (Independent) | Attributes code | Attributes | Factor loading |
|---|-----------------|---|----------------|
| Factor 1 | ATD 1 | I like domestic product very much | 0.85 |
| Attitude towards domestic product Variance: 16.07% | CBD 1 | I am extremely confident to buy domestic products | 0.82 |
| | CBD 3 | It's much more likely to buy domestic products | 0.82 |
| | ATD 2 | I buy domestic products as much as possible | 0.81 |
| | CBD 4 | It would not be difficult for me to domestic products | 0.79 |
| | CBD 5 | It would be convenient for me to buy domestic products | 0.76 |
| | ATD 3 | I think the domestic products are high quality | 0.73 |
| | ATD 4 | I believe that a domestic product offers benefits to the consumers | 0.73 |
| | P 5 | If I were to be born again, I would like to be born as a Malaysian again | 0.51 |
| Factor 2 | CBD 2 | It's up to me to decide whether or not to buy domestic products | 0.49 |
| Control beliefs towards foreign product Variance: 12.27% | ATF 1 | I like foreign products very much | 0.83 |
| | CBF 3 | It's much more likely to buy foreign products | 0.82 |
| | CBF 4 | It would not be difficult for me to buy foreign products | 0.79 |
| | CBF 1 | I am extremely confident to buy foreign products | 0.79 |
| | ATF 2 | I buy foreign products as much as possible | 0.76 |
| | CBF 5 | It would be convenient for me to buy foreign products | 0.76 |
| | ATF 4 | I believe that a foreign product offers benefits to the consumers | 0.74 |
| | ATF 3 | I think the foreign products are high quality | 0.73 |
| Factor 3 | CBF 2 | It's up to me to decide whether or not to buy foreign products | 0.62 |
| Cultural openness Variance: 9.70% | CO 2 | I would like to learn more about other countries | 0.83 |
| | CO 1 | I have strong desire to overseas travel | 0.79 |
| | CO 5 | I would like to have opportunities to meet people from other countries | 0.78 |
| | CO 4 | I am very interested on trying food from different countries | 0.70 |
| | CO 3 | I am open-minded towards foreigners and their habits | 0.70 |
| | CO 6 | We should have a respect for traditions, cultures and way of other nations | 0.61 |
| Factor 4 | CI 2 | Classmate assistance is indispensable to getting a good grade at school | 0.68 |
| Collectivism Variance: 9.477% | CI 4 | Young people should take into consideration their parents' advice when making education/career plans | 0.65 |
| | CI 6 | One needs to return a favor if a colleague lends a helping hand | 0.63 |
| | CI 3 | There is everything to gain and nothing to lose for classmates to group themselves for study and discussion | 0.62 |
| | CI 1 | I practice the religion of my parents | 0.60 |
| | CI 5 | It is reasonable for a son to continue his father's business | 0.58 |
| | C 6 | Teenagers should listen to their parents advice on choosing spouse | 0.53 |
| | C 4 | School children should have plenty of discipline | 0.52 |
| | C 2 | Erotic and obscene literature should be prohibited from public sale | 0.51 |
| Factor 5 | P 2 | On every national holiday we should raise the flag | 0.77 |
| Patriotism Variance: 7.805% | P 3 | Serving the mother land is an "honorable" thing | 0.75 |
| | P 1 | It's important to sustain our national anthem | 0.71 |
| | P 6 | A real Malaysian supports Malaysia sportsmen when they compete in international games | 0.57 |
| Factor 6 | P 4 | I get very angry when foreigners speak ill of Malay | 0.66 |
| Conservatism Variance: 4.644% | C 3 | The wedding should not be mixed, must separate between men and women | 0.57 |
| | C 1 | Malaysian should use their hand to eat (traditional meals) and not use the spoon | 0.52 |
| | C 5 | Law against cousin marriage are old fashioned and wrong | 0.51 |
| Factor 7 | IF 4 | I like to visit exotic places during my vacation | 0.73 |
| Foreign travel Variance: 4.194% | IF 2 | I love to go abroad | 0.59 |
| | IF 3 | I go abroad several times a year | 0.58 |
| | IF 1 | I love traveling and visiting other countries | 0.56 |
| | | Total numbers of items=46 | |
| | | Bartlett's test of sphericity=13045.126 | 0.00 |
| | | KMO measure of sampling adequacy | 0.916 |
| | | Total variance | 64.155% |

(Contd...)

Table 4: (Continued)

| Endogenous variable (Dependent) | Attributes code | Attributes | Factor loadings | |
|---|---|--|--|-------|
| Factor 1 Consumer ethnocentrism Variance: 16.065% | CE 3 | Buy Malaysia-made products, keep Malaysian working | 0.807 | |
| | CE 8 | We should purchase products made in Malaysia instead of letting other countries get rich off us | 0.792 | |
| | CE 10 | There should be very little trading or purchasing of goods from other countries unless out necessity | 0.772 | |
| | CE 12 | Curbs should be put on all import | 0.764 | |
| | CE 4 | Malaysian products first, last, and foremost | 0.754 | |
| | CE 1 | Malaysian people should always buy Malaysia-made products instead of import | 0.742 | |
| | CE 13 | It may cost me in the long run, but I prefer to support Malaysian products | 0.740 | |
| | CE 9 | It is always best to purchase Malaysia products | 0.717 | |
| | CE 2 | Only those products that are unavailable in Malaysia should be imported | 0.701 | |
| | CE 7 | A real Malaysian should always buy Malaysia-made products | 0.651 | |
| | CE 16 | We should buy from foreign countries only those products that we cannot obtain within our country | 0.647 | |
| | Factor 2 Animosity | CE 5 | Purchasing foreign-made products is un-Malaysian | 0.836 |
| | | CE 6 | It is not right to purchase foreign-made products because it puts Malaysians out of jobs | 0.819 |
| CE 14 | | Foreigners should not be allowed to put their products on our markets. | 0.753 | |
| CE 17 | | Malaysian consumers who purchase products made in other countries are responsible for putting their fellow Malaysian out of work | 0.705 | |
| CE 11 | | Malaysian should not buy foreign products because this hurts Malaysian business and causes unemployment | 0.587 | |
| CE 15 | | Foreign products should be taxed heavily to reduce their entry into Malaysia | 0.544 | |
| | | Total numbers of items=46 | | |
| | | Bartlett's test of sphericity=13045.126 | 0.00 | |
| | Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy | 0.916 | | |
| | Total variance | 64.155% | | |

PCA: Principle component analysis, KMO: Kaiser-Meyer-Olkin

Table 5: Descriptive statistics and reliability of construct

| Variable name | N | No. of items | Means | Cronbach's alpha coefficient |
|---|-----|--------------|-------|------------------------------|
| Y1: Consumer ethnocentrism | 483 | 11 | 4.728 | 0.938 |
| X1: Attitude towards domestic product | 486 | 10 | 4.855 | 0.921 |
| X2: Control beliefs towards foreign product | 486 | 9 | 4.408 | 0.905 |
| X3: Cultural openness | 485 | 6 | 5.391 | 0.847 |
| X4: Collectivism | 485 | 9 | 5.255 | 0.846 |
| X5: Patriotism | 485 | 4 | 5.674 | 0.895 |
| X6: Conservatism | 485 | 4 | 3.955 | 0.609 |
| X7: Foreign travel | 482 | 4 | 4.820 | 0.738 |
| X8: Animosity | 485 | 6 | 3.724 | 0.870 |

of sampling adequacy is 0.916 while Bartlett's test of sphericity is significant at 0.000. The total variance explained is 64%. The factor loadings are all above 0.5 indicating convergence validity.

4.3. Descriptive Statistics and Reliability of Scales

The descriptive statistics of all variables used in this study shows that lowest means belongs to animosity ($\mu = 3.724$) and conservatism ($\mu = 3.944$) while patriotism maintains the highest mean score ($\mu = 5.674$). All constructs show reliability Cronbach alpha coefficients of 0.60 and above. Thus, there is high internal consistency of all constructs (Figure 5).

4.4. Ethnocentrism Index Calculation and Determination

The calculation of ethnocentrism index uses the formula according to the mindful customer satisfaction index (Sheth et al., 2011).

| Question (4) | Weight |
|--|--------|
| Malaysian people should always buy Malaysia-made products instead of imports | 35 |
| Only those products that are unavailable in Malaysia should be imported | 25 |
| Buy Malaysia-made products, keep Malaysians working | 15 |
| Malaysian products first, last, and foremost | 15 |

Based on the mindful customer satisfaction index method showed above, the ethnocentrism index for Malaysia is calculated. Ethnocentrism index is calculated to be equaled to 49.773 or about 50%. According to Elida et al. (2016), index category can be categorized into three index category: Low (10-40), middle (40.01-70) and high (70.01-100). Hence, for Malaysian ethnocentrism index it can be categorized as middle or medium index (Figure 2).

Figure 2: Formula for mindful customer satisfaction index

$$CSI = \frac{100}{m-1} \sum_{i=1}^n \sum_{j=1}^q (x_{ij} - 1) \cdot \omega_i$$

5. DISCUSSION AND CONCLUSION

This study attempts to achieve three objectives. In specifying the first objective that is the demographic profile of ethnocentric consumers, they are single ladies, having high school education, with mean age of 33 years, working in the private sector and living in terrace housing. Secondly, the analysis of factor analysis produces the intended nine underlying factors as initially proposed in conceptual framework.

In relation to descriptive analysis, the level of ethnocentrism among Malaysian consumers was average as indicated by patriotism (mean score = 5.674); attitude towards domestic product (mean score = 4.855) and ethnocentrism (mean score = 4.728). The result supported the Malaysian ethnocentrism index which is fall in the middle category index. This could be caused by the multi ethnic population of Malaysia (Malaysia Statistic Department, 2016: Malay – 68.6%, Chinese – 23.4%, Indians – 7.0%, and Others – 1.0%). Means, there are still have Malaysian consumers who bought the foreign products. Hence, from the findings, it is reflected that the Malaysia Government effort towards “Buy Malaysian Product” campaign should be continued in improve the purchase local product.

Otherwise, the Malaysia ethnocentrism index resulted in this study proposed for importance basic reference to other researchers that associated to trends of CET for overseas product in Malaysia. Also, the findings represented the vital guidance to Malaysia government and practitioners for ethnocentrism segmentation strategy and other marketing strategy.

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