Assessment of ethnocentric behaviour of customers and their preference among domestic or international products

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Abstract

Ethnocentrism is nowadays getting due attention by researchers. This research is conducted aiming at achieving four objectives. Identification of main factors customers consider while buying footwear products and determination of ethnocentric behaviour of customers are two of the objectives. The other objectives are determination of attitude of customers towards international footwear products and their preference among domestic and international footwear products. To achieve these objectives data has been collected from 438 customers, targeted using convenience sampling technique, using self-administered questionnaire. Descriptive statistics and logistic regression model are used to analyze the collected data. And it is discovered that all the explanatory variables including price of the product, durability of the product, attractiveness, ease of care, fashionability of the product, quality of product, brand name of the product as well as design of the footwear product have positive and significant impact on customers’ attitude towards international footwear products. Furthermore, it is found that customers have positive attitude towards international brand footwear products; and they are also found to prefer international products to domestic footwear products. The customers consider different issues while purchasing footwear products, which might affect their preference and attitude among international and domestic products. The main factors include quality of product, the price of the product, the durability of the product, and the quality as well as design of the products.

Keywords: Ethnocentrism, customers attitude and preference, domestic and international footwear products

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1. Introduction

1.1. Background and justification

Due to globalization, the world is becoming one village and the international trade is growing more than ever. A product that is produced in one part of our world is found to be marketed in the other extreme by next day (Tudin and Ying, 2010). The globalization of market has also brought considerable international goods to Ethiopian consumers. This provides customers with many opportunities to access different alternative products or services. Because of this, customers of different nations exhibit different behaviours regarding the purchase of domestic and international products (Otokiti, 2004). The existence of international products in Ethiopia is a challenge for the domestic companies who have less capacity (in terms of economy, technology and other issues). Due to the impact of globalization, domestic products may not even be able to serve the local customers.

On the other hand, customers may not want to compromise any product attribute so as to help domestic companies grow (Moon, 2004). Even Ethiopian customers are sometimes observed to attribute weakness and inefficiency for domestic products and consider any foreign product as model for the strength and quality; while this cannot always be true. It would have been better if customers buy their county’s products rather than strengthening the capacity of international companies which have no objective except making profit from Ethiopian customers. But, if an Ethiopian company grows, it will be very essential for Ethiopians in that it will stand beside the Ethiopians in case of some national issues that need the company’s support.
Nevertheless, this type of thinking needs the development of ethnocentrism among the customers. Ethnocentrism is a concept that deals about the customers’ philosophy of rationality while purchasing products (Sharma et al., 1995). Ethnocentric peoples purchase domestic products thinking that each of their purchase of domestic products contributes to their nations’ growth and development; and non-ethnocentric peoples purchase products based on fitness of the product nature with their interest, and they are not willing to compromise their satisfaction from the product with other issues like ethnocentrism (Moon, 2004).

Ethnocentric behaviour of Ethiopian customers is not well studied; but it is a crucial issue that need to be investigated. Knowing the ethnocentric behaviour of the Ethiopian customers is very useful for companies to take action accordingly. Therefore, this study focuses on assessment of ethnocentric behaviour of Ethiopian customers and their attitude and preference among local or international products with reference to footwear products.

2. Literature review

As cited by Jianlin et. al. (2010), ethnocentrism was originally a sociological concept. Ethnocentrism was perceived as ‘a view of things in which one’s own group is the centre of everything, and all others are scaled and rated with reference to it. Each group nourishes its own pride and vanity, boasts itself superior, exalts its own divinities, and looks with contempt on outsiders’. This phenomenon could be observed in most social groups. According to Levine and Campbell (1972), ethnocentrism was originally a sociological concept, which then became a psychosocial
construct with relevance to individual-level personality systems, as well as to the more general cultural- and social-analytic frameworks.

Consumer ethnocentrism focuses on the responsibility and morality of purchasing international-made products and the loyalty of consumers to products manufactured in their home country (Shimp and Sharma, 1987). Sharma et al. (1995), note that consumer ethnocentrism may result in an overestimation of the attributes and overall quality of domestic products and an underestimation of the quality of international products.

According to Jianlin et., al. (2010), previous researches show that in developing countries, consumers tend to believe that products made by local producers are not as good as imported products. Sometimes, consumers prefer to purchase local products even though their quality is poorer comparing to international brands products. Understanding this phenomenon will be helpful for manufacturers to improve their competence strategy. To investigate this phenomenon, ‘consumer ethnocentrism’(CET) is adapted in this research to describe the beliefs held by consumers about the appropriateness of purchasing international products which was first established by Shimp and Sharma(1972). The goal of this research is to explore the ethnocentric behaviour of Ethiopian customers and its effect on their buying decision of international products.

Many researchers have conducted studies to analyse the consumers’ perception towards domestic brands and global brands in various countries. However, there has not been any research conducted extensively to examine the effect of consumer ethnocentrism on their preference of domestic or international footwear products in Ethiopian market.
2.1. Factors affecting customers’ buying decision of international or domestic products

Customers buying decision is a function of different variables. It is the cumulative effect of a number of variables (explained or unexplained variables) that lead customers to decide whether to buy international or domestic products. Many researchers agree on most common variables affecting customers’ attitude to make buying decision. The following are the variables that are included in this research work, based on review of literatures more particularly empirical findings; and some other variables are added to the measurement based on observation and prior experience of the researcher.

- Quality, price, brand name, warranties, taste and design (Cordell, 1992).
- Country of origin (Elliott and Cameron, 1994)
- The price of the product (Hansen, 2005).
- Friends and family (Swaminathan et. al., 2001).
- Price, quality, country of origin, social status, family and friends (Zeenat et. al., 2012).
- Fashionable and high quality (Bikey and Nes, 1982).

3. Research objectives

The objectives of this research are:

♣ To identify the main factors customers consider while buying footwear products;
♣ To determine the ethnocentric behaviour of the customers;
To discover the attitude of customers towards international footwear products; and

To know the preference of customers among international and domestic foot-wear products.

4. Research hypotheses

H₁: The attractiveness of international footwear products doesn’t affect attitude of customers.

H₂: The brand name of international footwear products doesn’t affect attitude of customers.

H₃: The design of international footwear products doesn’t affect attitude of customers.

H₄: The durability of international footwear products doesn’t affect the attitude of customers.

H₅: The fashion of international footwear products doesn’t affect the attitude of customers.

H₆: The quality of the international footwear products doesn’t affect the attitude of customers.

H₇: The ease-of-care of international footwear products doesn’t affect attitude of customers.

H₈: The price of the international footwear products doesn’t affect the attitude of customers.
5. Conceptual framework

The following figure demonstrates the factors affecting customers’ attitude towards international footwear products. Many researchers agree that the following variables affect attitude of customers towards international brand products. The factors are included in the framework after review different literatures. Therefore, these variables are tested if they affect Ethiopian customers’ attitude towards international brand footwear products as it is depicted by the conceptual framework shown below.

Fig. Conceptual framework (developed by the researcher)
6. Scope and limitations

As it is discussed on the methodology, the research focuses on the ethnocentric behaviour of customers. It would have been better if the research had dealt about the causes that affect customers to develop ethnocentric or non-ethnocentric behaviour; because knowing that could help to take positive actions after understanding of the behaviour. And it will be worthy if other researchers try to consider this issue while conducting research works in the same area. Besides this, the target populations of the study are customers from one city and those who are using a specific market (Merkato) to buy their footwear products. In this research, other shops or markets are not considered. However, other markets and shops where footwear products are being sold should have been part of the study for better generalization.

7. Research methodology

7.1. Population, sampling technique, sample size

7.1.1. Target population

The target population of the study include the people of Addis Ababa who are using Merkato, one of the biggest markets in Africa, to buy their footwear products.

7.1.2. Sampling technique

The sampling technique used is convenience sampling technique, whereby the researcher considers the customers that are conveniently available in this big market in peak market days. The data was collected on Saturday, when many of the people of Addis Ababa prefer to conduct their transaction at
Merkato. The data was collected during the morning and afternoon sessions of this pickiest market day.

7.1.3. Sample size

For populations that are large, Cochran (1963) developed the following sample size determination formula to yield a representative sample for proportions. And this formula is adopted in this study.

\[ n_0 = \frac{Z^2 pq}{e^2} \]

Where  
\[ z \] = the standardized value of confidence level 
\[ p \] = level of variability 
\[ q = 1 - p \] 
\[ e \] = the level of precision

Accordingly the sample size of the study with 95 confidence level and 0.5 level of variability is calculated to be 385.

\[ n_0 = \frac{(1.96)^2 \times 0.5 \times 0.5}{(0.05)^2} = 385 \]

However, 450 questionnaires were distributed to protect the study from non-response bias, and 438 respondents have securely responded to the questionnaire. This sample size exceeds the calculated sample size by 53, which assures that the data is representative.

7.2. Measurement

The measurement of consumer ethnocentrism was made possible with the adaptation of the CETSCALE (Consumer Ethnocentric Tendencies Scale) developed by Shimp and Sharma (1987). The CETSCALE consists of
seventeen items which measure the tendency of consumers to act consistently towards international and domestic products. Such tendencies may precede attitude.

In this research the CETSCALE is adopted to measure the ethnocentrism behaviour of Ethiopian customers. Some items of the standardized item of CETSCALE are dropped and some others are merged with each other so as to contextualize with the Ethiopian Context. Accordingly The CETSCALE is modified to have twelve questions. The items for the questions that are developed to collect data to achieve other objectives are designed based on empirical researches. The scale is designed in five rating Likert scale which starts with 1, strongly disagree, and extends to 5, which represents strongly agree.

7.3. Data analysis

To analyze the data, two techniques are used. The first is descriptive analysis; which uses simple descriptive statistics like mean, standard deviation and presentations like frequency tables and cross tabulations. Using this analysis technique, three of four objectives are analyzed. Moreover, logistic regression model is used to test whether the listed variables affect attitude of customers towards international products.

7.4. Econometric model

To estimate the binary choice models, most extant econometric literatures use the linear probability model (LPM), logit, and probit models (Gujarati, 2004). The variable is said to be binary variable when it takes two values, i.e. 1 if the customers have positive attitude towards foreign brands and 0, otherwise. Thus, to estimate this type of relationship, we have to use
qualitative response model which indicates the dependent variable is qualitative in nature. Therefore, for the identification of the factors affecting customers’ attitude towards foreign footwear products, adoption of logit model is more appropriate than the LPM. This is because the latter encounters different problems such as non-normality of the disturbance term \( \mu_t \), hetereoscedasticity of \( \mu_t \), the possibility of the estimated dependent variable lying outside the range of 0-1 (Gujarati, 2004). Hence, this inadequacy of the LPM suggests that a non-linear specification may be more appropriate. In order to explore the correlates of customers’ attitude with the variables thought to be important in explaining it, a logistic regression model is estimated, with the dependent variable being dichotomous variable of whether the customers have positive attitude towards foreign footwear products (1) or not (0). The logit model assumes cumulative logistic probability function, whereas the probit model is associated with the cumulative normal distribution (Gugarati, 2004). Although logit and probit models yield similar parameter estimates, a cumulative logistic regression model is preferred because of its comparative mathematical simplicity (Gujarati, 2004; Green, 2003).

Therefore, following Green (2003) and Gujarati (2004), the probability of having positive attitude towards foreign footwear products depends on a set of explanatory variables, \( X \), so that:

\[
P(Y_i = 1) = \frac{1}{1 + e^{-(\beta_i X_i)}} \quad \text{---------------------------------------------1}
\]
\[
P(Y_i = 1) = \frac{1}{1 + e^{-(\gamma_i Z_i)}} \quad \text{---------------------------------------------2}
\]

Where: \( P(Y_i = 1) \) is the probability that the customers have positive attitude towards foreign products, \( Z_i \) is the function of a vector of n explanatory variables, \( e \) represents the base of natural logarithms and equation (2) is the
cumulative distribution function. If \( P(Y_i = 1) \) is the probability of the customers having positive attitude towards foreign footwear products, then \( 1 - P(Y_i = 1) \) represents the probability of customers to have negative attitude towards foreign footwear products and is expressed as:

\[
1 - P(Y_i = 1) = 1 - \frac{1}{1+e^{-Z_i}} = \frac{1}{1+e^{Z_i}} \quad \text{------------------------3}
\]

\[
\frac{P(Y_i=1)}{1-P(Y_i=1)} = \frac{1+e^{Z_i}}{1+1+e^{-Z_i}} = e^{Z_i} \quad \text{------------------------4}
\]

Equation (4) simply is the odds ratio, the ratio of the probability that customers will have positive attitude towards foreign brand footwear products to the probability that they will not have positive attitude towards foreign footwear products. Taking the natural log of equation (4), we obtain

\[
L_i = \ln \left( \frac{P(Y_i=1)}{1-P(Y_i=1)} \right) = Z_i \quad \text{------------------------5}
\]

Where \( L_i \) is the log of the odds ratio which is not only linear in the explanatory variables but in the parameters also.

Thus, introducing the stochastic error term, \( \mu_i \), the logit model can be written as

\[
Z_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \cdots + \beta_n X_n + \mu_i \quad \text{------------------------6}
\]

Where \( X \)’s = are explanatory variables; \( \beta_0 \) is the constant term and \( \beta \)'s are coefficients of the explanatory variables to be estimated.
8. Data analysis and results

8.1. Main issues that customers consider while buying footwear products

Table 1: Factors customers take into account while buying footwear products

<table>
<thead>
<tr>
<th>Variables</th>
<th>Yes</th>
<th>No</th>
<th>Total</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>%</td>
<td>No</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Accessibility</td>
<td>27</td>
<td>6.16</td>
<td>137</td>
<td>93.8</td>
</tr>
<tr>
<td>Attractiveness</td>
<td>177</td>
<td>40.41%</td>
<td>261</td>
<td>59.59%</td>
</tr>
<tr>
<td>Design and style</td>
<td>249</td>
<td>56.85%</td>
<td>189</td>
<td>43.15%</td>
</tr>
<tr>
<td>Durability</td>
<td>231</td>
<td>52.74%</td>
<td>207</td>
<td>47.26%</td>
</tr>
<tr>
<td>Fashionability</td>
<td>168</td>
<td>38.36%</td>
<td>270</td>
<td>61.64%</td>
</tr>
<tr>
<td>Quality</td>
<td>306</td>
<td>69.86%</td>
<td>132</td>
<td>30.14%</td>
</tr>
<tr>
<td>Price</td>
<td>318</td>
<td>72.6%</td>
<td>120</td>
<td>27.4%</td>
</tr>
<tr>
<td>Family and friends</td>
<td>198</td>
<td>45.2%</td>
<td>240</td>
<td>54.8%</td>
</tr>
<tr>
<td>Social Status</td>
<td>78</td>
<td>17.8%</td>
<td>360</td>
<td>82.2%</td>
</tr>
</tbody>
</table>

Source: primary data (2014)

As it is depicted on the above table, the top four issues that customers consider while buying footwear products are price of the product, quality of the product, design and style of the product as well as the durability of the product. Customers are provided with the above alternatives to select their best consideration (that they are not interested to compromise it in any way) while buying footwear products.

Accordingly, the price of the product is one of the main factors affecting customers buying decision. Most of the customers (72.6%) agreed that they
consider the cheapness or expensiveness of the price of the product. Only 120 customers (27.4%) responded that price doesn’t matter them while buying footwear products. These are customers who are not price-sensitive. Such customers think about some other attributes of the product beyond the product’s price.

The next factor that significantly affects the customers’ buying decision is the quality of the product. Considerable number of customers responded that they seriously look for the quality of the product while buying footwear products. Regarding quality, 69.86% of the total respondents agreed that they worry about the quality, while buying footwear products and 30.14% of them replied ‘No’. This shows that very high proportions of customers are concerned about the quality of the product, while making decision to buy footwear products.

Similarly, the customers are highly concerned about the design and style of the footwear products. As it is shown in the above table, the design and style of footwear products is one of important factors shaping the customers’ buying decision; because the customers consider it as vital input while purchasing footwear products? Accordingly, 56.85% of the customers replied that they seriously look for the design and style of products and the rest 43.15% said not.

More than half of the respondents said that they give high attention for the durability of the footwear products. Thus, 52.74% of the total respondents agree that they take the durability into account seriously while buying footwear products. Whereas the others don’t give serious attention for it. Hence, durability is one of the top four factors that customers consider while buying products.
Although less than half of the respondents replied that family and friends influence affect their buying behaviour, it is not an insignificant number to be ignored. It has its own implication that family’s and friend’s attitude affects the customers’ buying decision.

The other factors that are given less attention by many of the target respondents are attractiveness, fashionability of products, social status and accessibility.

Customers responded that they consider their family and/or friend choice while buying their footwear products. Some responded in the open ended question that they invite their family or friends while buying the product; and they consider their family's and friend’s preference to them.

The other factors that are given less attention by many of the target respondents are attractiveness, fashionability of products, social status, and accessibility.

8.2. Ethnocentric behaviour of the customers

The CETSCALE is a standardized list of items that is used to measure the ethnocentric behaviour of customers. Accordingly, the following items are designed in five rating Likert scale that ranges from 1, which represent ‘strongly disagree’ to 5, which represents ‘strongly Agree’. In the five rating Likert scale, 3 represents ‘neutral’ and 2 and 4 represent ‘Disagree’ and ‘Agree’, respectively.
### Table 2: Ethnocentric behaviour of customers

<table>
<thead>
<tr>
<th>CETSCALE based Ethnocentrism Items</th>
<th>N</th>
<th>Standard Deviation</th>
<th>Individual mean</th>
<th>Group mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>I always buy Ethiopian-made footwear products instead of imported footwear products to encourage local footwear companies.</td>
<td>438</td>
<td>1.061773</td>
<td>2.671233</td>
<td></td>
</tr>
<tr>
<td>I buy international brand footwear products only when the product is not locally produced.</td>
<td>438</td>
<td>1.193557</td>
<td>2.582192</td>
<td></td>
</tr>
<tr>
<td>I like buying Ethiopian-made footwear products; because I believe that doing so will help to keep Ethiopians working.</td>
<td>438</td>
<td>1.229420</td>
<td>3.075342</td>
<td></td>
</tr>
<tr>
<td>While buying footwear products where there are international and domestic footwear product alternatives, I prefer to buy local product; because it is good for strategic benefit of Ethiopia.</td>
<td>438</td>
<td>1.293659</td>
<td>2.876712</td>
<td></td>
</tr>
<tr>
<td>Purchasing international made footwear products is ‘lack of concern’ for Ethiopia.</td>
<td>438</td>
<td>1.157376</td>
<td>2.246575</td>
<td></td>
</tr>
<tr>
<td>I purchase footwear products manufactured in Ethiopia instead of letting other countries get rich off us.</td>
<td>438</td>
<td>1.178811</td>
<td>2.787671</td>
<td>2.72</td>
</tr>
<tr>
<td>I believe that there should be very little purchasing of footwear products from other countries.</td>
<td>438</td>
<td>1.233829</td>
<td>2.958904</td>
<td></td>
</tr>
<tr>
<td>I do not buy international footwear products because it hurts Ethiopian business and causes unemployment.</td>
<td>438</td>
<td>1.082235</td>
<td>2.239726</td>
<td></td>
</tr>
<tr>
<td>Although it may cost me in the short run, I prefer to support Ethiopian companies’ growth through buying their products.</td>
<td>438</td>
<td>1.105767</td>
<td>3.260274</td>
<td></td>
</tr>
<tr>
<td>Had it been possible, international footwear products should not have been allowed to put their products on our markets.</td>
<td>438</td>
<td>1.315071</td>
<td>3.260274</td>
<td></td>
</tr>
<tr>
<td>I believe that we should import from international countries only those footwear products that we cannot obtain within our own country.</td>
<td>438</td>
<td>1.273437</td>
<td>2.287671</td>
<td></td>
</tr>
<tr>
<td>Ethiopian consumers who purchase footwear products made in other countries are responsible for putting their fellow Ethiopians out of work.</td>
<td>438</td>
<td>1.154691</td>
<td>2.287671</td>
<td></td>
</tr>
</tbody>
</table>

Source: primary data (2014)
The individual mean represents the mean response of all target respondents to the given item; and the group mean indicates the aggregate mean of all target respondents to all items altogether. In other words, the group mean is mean of the individual means, which is used in this context to represent the ethnocentric behaviour of customers.

Since all the questions are worded positively, any response below the median (neutral) shows that the target respondent is not willing to compromise his/her interest towards international product, only intending to buy domestic products thinking that buying domestic products will contribute for one’s own national growth or benefit.

On the other hand, if the mean of response of target respondents is greater than the median point, the customer is perceived to be ethnocentric, who has serious concern of buying domestic products than imported or international products. With this logic, the above table shows that the group mean is 2.72, which means the customers are not ethnocentric. Ethnocentric customers are irrational customers who are influenced by the presence of domestic products. Unlike the non-ethnocentric customers (rational customers who look for the product attributes and its core customer value while buying products; and don’t care whether the product is domestic or international), ethnocentric customers are biased to buy domestic products, even by compromising the important product attributes like quality, price, durability and so on, to benefit their nation by buying national products.
8.3. Attitude of customers towards international products

Table 3: Attitude of customers towards international products

<table>
<thead>
<tr>
<th>Do you have positive attitude towards international brand products?</th>
<th>Response</th>
<th>No</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>301</td>
<td>68.72%</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>137</td>
<td>31.28%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>438</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

Source: primary data (2014)

The customers have been provided with dichotomous question to know their attitude towards international footwear products. Accordingly, most of the respondents (68.72%) replied that they have positive attitude towards international brand products. Whereas the rest 31.28% of them answered that they don’t have positive attitude towards international footwear products. The larger the number of customers who have positive attitude towards international footwear products, the higher the probability that many customers tend to buy such products.

8.4. Preference of customers among international and domestic footwear products

Which footwear product do you prefer among international and domestic footwear products?

Table 4: Customers’ preference of footwear products

<table>
<thead>
<tr>
<th>preference</th>
<th>No</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>I prefer international footwear products to domestic footwear products.</td>
<td>295</td>
<td>67.35%</td>
</tr>
<tr>
<td>I prefer domestic footwear products to international footwear products.</td>
<td>143</td>
<td>32.65%</td>
</tr>
<tr>
<td>Total</td>
<td>438</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: primary data (2014)
As it can be seen from table 4 above, most of the respondents (67.35%) prefer international footwear products to domestic footwear products. And the rest of the respondents, which account to 32.65% responded that they prefer domestic footwear products to international footwear products. The reason behind their preference could be attributed to the factors they consider while buying footwear products, which was discussed on table 1 of the analysis.

8.5. Results of hypotheses tested

Table 5: the results of hypothesis testing

| Hypotheses                                                                 | P-value  
<table>
<thead>
<tr>
<th></th>
<th>(at 5%)</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H₁</strong>: The attractiveness of international footwear products doesn’t affect attitude of customers.</td>
<td>0.018</td>
<td>Rejected</td>
</tr>
<tr>
<td><strong>H₂</strong>: The brand name of international footwear products doesn’t affect attitude of customers.</td>
<td>0.000</td>
<td>Rejected</td>
</tr>
<tr>
<td><strong>H₃</strong>: The design of international footwear products doesn’t affect attitude of customers.</td>
<td>0.000</td>
<td>Rejected</td>
</tr>
<tr>
<td><strong>H₄</strong>: The durability of international footwear products doesn’t affect the attitude of customers</td>
<td>0.000</td>
<td>Rejected</td>
</tr>
<tr>
<td><strong>H₅</strong>: The Fashionability of international footwear products doesn’t affect the attitude of customers.</td>
<td>0.007</td>
<td>Rejected</td>
</tr>
<tr>
<td><strong>H₆</strong>: The quality of the international footwear products doesn’t affect the attitude of customers.</td>
<td>0.000</td>
<td>Rejected</td>
</tr>
<tr>
<td><strong>H₇</strong>: The ease-of-care of international footwear products doesn’t affect attitude of customers.</td>
<td>0.000</td>
<td>Rejected</td>
</tr>
<tr>
<td><strong>H₈</strong>: The price of the international footwear products doesn’t affect the attitude of customers.</td>
<td>0.000</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

Source: primary data (2014)

As you can be seen from the above table, all hypotheses are rejected indicating that all the variables are significantly affecting customers’ attitude towards international brand products. The result of the logistic regression model depicts that the hypothesized variables have positive and
significant impact on customers’ attitude towards international footwear products.

The above table shows tested hypotheses on the variables impact on attitude of customers towards foreign footwear products. And all of the hypotheses are found to be rejected, which shows that the above mentioned variables significantly affect the customers’ attitude towards foreign footwear products.

Although all of the variables significantly affect attitude of customers towards foreign footwear products, price, quality, durability, design & style and the brand name, which have a p-value of 0.0000, are the main factors that establish the attitude of customers towards foreign footwear products. Other variables like social status, fashionability, and attractiveness have p-value greater than zero (but still they are significant at 5% significance level).

The regression output doesn’t show all explanatory variables that affect attitude of customers towards foreign brand footwear products. Researchers should be further engaged in extraction of other factors which could affect customers’ attitude towards foreign footwear products.

9. Conclusions and recommendations

9.1. Conclusions

This part of the research summarizes the findings regarding Ethiopian consumers’ ethnocentric behaviour, their attitude towards international brand footwear products as well as their preference among international and domestic footwear products.
• The main factors that customers consider while buying footwear products are identified to be price of the footwear products, quality of footwear products, design & style of the products and durability of the footwear products. There are also other issues that some customers take into account while purchasing footwear products. Some of them include family and friends influence, attractiveness and fashionability.

• The CETSCALE was used to know the ethnocentric behaviour of the customers. And the customers are found to be non-ethnocentric, who are rational buyers and do not care about their role in their country’s development through their purchase of local footwear products.

• The customers are found to have positive attitude towards international brand products.

• According to the hypotheses tested, all hypotheses are rejected; which means the variables have significant impact on customers’ attitude towards international products. Accordingly, the price, ease of care, quality of product, durability, brand name, attractiveness, fashionability as well as design and style of footwear products determine the attitude of customers towards the international footwear products. The result of the logistic regression model shows that these variables positively and significantly affect the customers’ attitude.

• Similarly, the customers prefer to purchase international brand footwear products to domestic footwear products.
9.2. Recommendations

- Ethiopian footwear companies should know the interest of customers. As it is discussed in the findings, the customers prefer international brand products in need of cheaper and better footwear products. So, knowing this interest of customers, the companies should produce footwear products that fulfil the need of local customers so that they can exploit the unexploited footwear market of Ethiopia. Otherwise, since the customers are rational customers, they are not ready to compromise the important product attributes so as to purchase Ethiopian-made footwear products.

- It is easier for Ethiopian footwear companies to know the interest of Ethiopian customers than international companies. Because, national companies are nearer to the society to know the living style, the culture and sub-cultures, social status attitude, social class and other related issues that might help the companies to determine the nature of the products to make them customer-oriented. So, domestic footwear companies need few investments to deal with such issue compared to international companies. Hence, they are recommended to know the interest of Ethiopian customers and serve them accordingly.

- Furthermore, the companies can use nationalism promotional strategy to influence customers to have a sense of ethnocentrism. But companies cannot bring sense of ethnocentrism only through nationalism promotion; they should also try their best to satisfy the local customers by narrowing the gap between local and international brand products.
Although it is difficult to judge whether ethnocentrism or non-ethnocentrism is good or bad, sometimes the Ethiopian customers should compromise insignificant product attribute differences and buy their county’s products so that it can come up with better and cheaper footwear products in the long run. Otherwise, it looks true that buying products from international companies is increasing the level and sustainability of dependency on international companies.

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