

Impact of Consumer Ethnocentrism on Purchase Intention for Imported Goods of University Students of Sri Lanka: The Role of Brand Sensitivity and Product Cues

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Abstract

This paper observes the impact of Consumer Ethnocentrism on the Purchase Intention for imported products among Sri Lankan university students, with brand sensitivity as a mediator and product cues as a moderator. The Theory of Reasoned Action is used as the theoretical framework of the study. Although previous studies have investigated these constructs, only limited research has explored their combined effects in Sri Lanka mainly among young consumers exposed globally and influenced by nationalist sentiments. This study addresses this gap by analyzing 200 responses which is gathered through an online survey and analyzed using Structural Equation Modelling (SEM). The results show that consumer ethnocentrism does not have a direct impact on purchase intention, but the relationship is mediated by Brand Sensitivity and moderated by Product Cues. These findings indicate that ethnocentric attitudes alone might not predict the purchasing patterns of globally connected youth. In practice, the paper suggests that marketers should intensify brand association and develop product cues, whereas policymakers should tighten the local branding policies to strike a balance between national and global consumer preferences.

Keywords: *Consumer ethnocentrism, Purchase intention, Brand sensitivity, Product cues, Theory of reasoned action*

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Introduction

Given the increase in global economic integration, understanding the perceptions and response of consumers in developing countries to foreign products has become essential for international marketers. With the widespread availability of imported goods, purchase intention has become one of the key behavioral outcome in global consumer research (Xin & Seo, 2019). The cultural and psychological constructs such as consumer ethnocentrism, the idea that purchasing foreign goods is unpatriotic and economically detrimental, plays a critical role in shaping the purchase intention (Priyanath & Dangalla, 2022).

Recent studies challenge the universality of this relationship mainly among younger consumer groups that are globally connected. Wong et al. (2008) and Eman and Michael (2018) observed that consumer ethnocentrism does not have a direct impact on purchase behavior, mainly among young individuals with global media and branding exposure. This raises the question on how consumer ethnocentrism can influence purchase intention in brand oriented markets like Sri Lanka.

University students are one such group that reflects these changing dynamics. As highly active users of online platforms, university students are often exposed to trends of global consumption trends and have a level of brand sensitivity (Bakewell & Mitchell, 2003; Durmaz et al., 2020). They influence future consumer trends within emerging economies. However, not much research has been done to analyse their specific consumer behavior in relation to imported goods and consumer ethnocentrism. This gap is mainly found in Sri Lanka, where recent economic shocks and nationalist discourse complicated and destabilized consumer behaviour in the country (Joakim & Felix, 2023).

Brand sensitivity, is the extent to which consumers depend on brand names when making purchase decisions, and it is found to mediate the effects of consumer ethnocentrism (Wei, 2008). Similarly, product cues are external indicators like price, country of origin and packaging, which moderate this relationship by either increasing or decreasing the impact of consumer ethnocentrism on purchase intention for imported goods based on its interpretation by consumers (Kulshreshtha et al., 2017; Perera et al., 2021).

Health consciousness and brand sensitivity are some of the key factors that influence the brand preference of young consumers (Lakmali et al., 2022). This shows the relevance of contextual factors. It implies that brand cue driven behaviors can help to override ethnocentric behaviours among young consumers. However, these dynamics have rarely been studied together within a one unified framework within the context of Sri Lanka.

In order to fill these gaps, the current study uses the Theory of Reasoned Action to understand the effect of attitudes such as consumer ethnocentrism on purchase intention. Theory of Reasoned Action is the theory according to which attitudes and subjective norms influence the behavioural intention, making it a strong framework to examine how psychological mechanisms work to determine consumer choices (Ajzen, 1991).

Research Problem

Despite being a globally exposed, brand-aware, and price-conscious consumer segment, the purchase intentions of Sri Lankan university students towards imported products have not been studied enough. University students are often influenced by global media, social networks, and branding, which makes them highly sensitive to foreign products,



even in the context of increasing the tendencies of nationalism (Bakewell & Mitchell, 2003; Durmaz et al., 2020). To be more precise, there is no clear findings as to how their ethnocentric attitudes interact with brand sensitivity and product cues when making a purchase decision. Recent literature stress that brand sensitive consumers can still prefer global brands even when ethnocentric beliefs are present, especially in the case of young consumers (Wei, 2008). Moreover, ethnocentric bias can be reinforced or undermined by external product cues such as price, country of origin, and packaging based on perceived quality or value (Kulshreshtha et al., 2017; Perera et al., 2021). In this regard therefore, the available models are unable to justify the intricate and at times inconsistent nature of the behaviors exhibited by this segment that is supportive of local brands in one hand and preferring foreign for quality or brand image in the other. The research aimed at addressing this gap is carried out by examining these associations with the help of an empirical study.

Research Questions

1. What is the impact of consumer ethnocentrism on Sri Lankan university students' intention to purchase imported products?
2. What is the mediating effect of brand sensitivity on the relationship between consumer ethnocentrism and purchase intention for imported products?
3. What is the moderating effect of product cues on the relationship between consumer ethnocentrism and purchase intention for imported products?

Literature review

The latter has become one of the central spheres of study in the modern context, specifically the impact thereof on the purchase intentions of the imported goods

among consumers in different regions (Haque et al., 2015; Priyanath and Dangalla, 2022). The paper focuses on how consumer ethnocentrism affects purchase intentions of international products, in this case Sri Lankan and how the forms of brand sensitivity and product cue play the mediating and moderating roles respectively. This study can fill the gaps in the existing literature and add to the knowledge about consumer behavior in the developing markets, where the importance of the local cultural attitudes to the imported goods is the central issue.

Consumer Ethnocentrism

Consumer ethnocentrism is defined as the belief among consumers that it is more adequate to buy local products than purchasing foreign goods (Shimp & Sharma, 1987). This concept directly influences consumer behaviour, creating a bias in favour of domestic products over imported products. Previous research indicates that ethnocentric consumers are less sensitive to price and other product attributes, demonstrating strong loyalty towards domestic brands (Akbarov, 2021).

The impact of consumer ethnocentrism is not limited to individual preferences, it also affects corporate strategies and influences the business decisions of managers and marketers. Studies on Sri Lankan consumers indicates that ethnocentrism significantly influences the preferences for local brands, especially in essential product categories like dairy products (Karunaratne & Wanninayake, 2019). Understanding consumer ethnocentrism is therefore essential for businesses to customize their marketing strategies and product offerings in culturally sensitive ways.

Brand Sensitivity



Brand sensitivity indicates how brand name will affect the decision making process of a consumer in specific product category (Kapferer and Laurent, 1983). Brand sensitivity increases when consumers have high risk purchase decisions and they turn towards familiar brands as the means of reducing perceived risk (Mishra et al., 2016). It is indicated in the literature that brand names are more significant than other aspects of price or particular product qualities to many consumers (Cheng, 2014).

In addition, the research shows that emotional appeal and the brand connection with consumers increase brand sensitivity (Almodarresi and Rasty, 2019). The socioeconomic background and level of education may also influence the level of brand sensitivity among the consumers, which was found to be influenced by research on the topic of youth brand loyalty and brand sensitivity in various product lines (Durmaz et al., 2020).

In Sri Lanka, the height of brand sensitivity depends on prerequisite of health consciousness, brand experience and marketing activities that lead to customer engagement multiplication. The recent research on brand preference of the young consumers on the milk powder brands in Sri Lanka revealed that brand sensitivity is significantly affected by health consciousness (Lakmali et al., 2022).

Product Cues

The cues of the products are the qualities that consumers use to judge products and this affects their decision to buy the product. Product cues can be broadly distinguished by extrinsic (e.g., price, brand, and packaging) and intrinsic (e.g., the ingredients) attributes, extrinsic which are mostly more prominent in consumer assessments (Schellinck, 1983).

It has been found out that extrinsic cues like brand, price, and country of origin may have a positive impact on consumer decision making when purchasing products belonging to diverse classes, especially foods and luxury sectors (Fetai et al., 2017). The product cues (brand name, packaging, and others) showed a significant role in literature covering consumer behavior studies of products, such as mobile phones, where young consumers are highly selective in regard to product cues (Kulshreshtha et al., 2017).

The cultural orientation, economic conditions, and industry specific considerations may make consumers in Sri Lanka have different consumer evaluations of product cues. Consumer brand equity has been shown to be modifiable because of elements such as location, subjective norms, and brand credibility with other researchers indicating that the behaviors of Sri Lankan consumers may not be the same as in other geographical areas (Perera et al., 2021).

Purchase Intention for Imported Goods

Purchase intention describes the desire of a consumer to make a certain action, which is the conceptualization of the Theory of Reasoned Action (TRA). Ajzen (1990) argued that intention is a major motivating factor and it affects behavior by showing the degree of effort the consumers will be willing to expend in getting a certain action done. Due to a rise in globalization of markets, the focus on studying how consumer intentions to buy imported products are formed has become relevant (Haque et al., 2015).

The literature does point out that the purchase intention is heavily dependent on the product characteristics, brand image, and country of origin perceptions (Wang et al., 2012). Shah et al. (2012) have further contended that the image of the

brand in terms of brand knowledge and preference has a strong influence on the willingness to purchase by consumers. There is also evidence that consumer ethnocentrism and product quality of imported products have had a significant influence on consumer intentions to purchase (Ettenson and Klein, 2005; Yoo and Donthu, 2005).

Purchase intention is often the measure used in the studies to predict the sale of the product, because such measures may reveal the probability of consumers to buy a product within the stipulated time. These metrics are used in the market research in order to estimate the potential of sales of new products, particularly of imported items in local markets (Asshidin et al., 2015).

Theory of Reasoned Action

The Theory of Reasoned Action (TRA), which has been created by Fishbein (1980), provides a solid model in the explanation of behavioral intention in consumer psychology. TRA states that an antecedent of behavioral intention, behavioral intention, extremes to be influenced by two key factors attitude to the behavior and subjective norms (Wong et al., 2019). TRA has been popularly applied in marketing research to understand the possibility of a consumer thinking he/she needs a product or not based on the reasoning factors beyond the quality of the product (Alshammari et al., 2018).

TRA indicates that favorable consumer intentions tend to be effective in the case of positive attitudes and subjective norms as influencing factors towards the purchase (Wong et al., 2019). The given research uses TRA as the theoretical foundation to examine the effect of consumer ethnocentrism on attitude and subjective norms, which affect the purchase intentions of imported products

among the consumers of Sri Lanka (Tho et al., 2008; Xin and Seo, 2019).

Research Gap

Although, Theory of Reasoned Action (TRA) been widely applied in consumer behavior research, its integration with consumer ethnocentrism, brand sensitivity, and product cues in the Sri Lankan context is limited. Majority of the existing literature tend to focus on the direct relationship between consumer ethnocentrism and purchase intention, often ignoring the influence of mediating and moderating variables that can provide a more detailed understanding of consumer decision making. This shows that there is a clear theoretical gap, mainly when it is applied to specific consumer segments such as university students.

From a practical point of view, Sri Lankan university students is a consumer segment that represents a tech savvy, brand aware, and globally influenced demographic whose behavior is not yet studied enough in relation to imported products. Although they are exposed to global consumption patterns, little research has explored how this group balances national loyalty with the appeal of foreign brands, which leaves marketers without clear strategies to tap into this customer segment.

Finally, there exists a major knowledge gap in the literature, although consumer ethnocentrism has been studied in other contexts across the world, few studies have been able to investigate the combined effects of consumer ethnocentrism, brand sensitivity and product cues on purchase intention within developing countries especially in light of the post-pandemic shifts in economic conditions and consumer values. This paper seeks to fill these gaps by empirically investigating these complex interactions among Sri Lankan university students.



Hypotheses Development

The relationship between consumer ethnocentrism and purchase intention has been a focus of study in global consumer behavior research. Past research has consistently shown that the intention to buy foreign products is generally lower among those consumers who are ethnocentric since they usually consider such purchases as having a negative economic or social impact (Yoo & Donthu, 2005). More recent studies though indicate that such a connection might not be quite straightforward with younger, globally exposed populations. Priyanath and Dangalla (2022) demonstrate that in the emerging markets, young people tend to be ethnocentric alongside high tendencies of buying global brands, which results in ethnocentrism not necessarily predicting purchase intention. As it is known that Sri Lankan students at university are also exposed to the same international media and consumer trends, this research aims to investigate whether consumer ethnocentrism remains a negative influence in their intention to buy imported products.

Therefore, Hypothesis 1 (H1) is as follows,

Consumer ethnocentrism negatively impacts the purchase intention for imported goods among Sri Lankan university students.

Besides examining this direct relationship, the study considers the potential mediating role of brand sensitivity. Brand sensitivity indicates a consumer's dependence on brand names when making a purchasing decision and has been observed to alleviate the effects of consumer ethnocentrism on purchase

intention. Recent studies have shown that brand sensitivity could help counter the effect of consumer ethnocentrism because highly brand conscious consumers place more emphasis on quality and prestige rather than national origin (Almodarresi & Rasty, 2019; Durmaz et al., 2020). These results indicate that negative influence of ethnocentrism on purchase decisions can be neutralized with a strong brand association.

Thus, Hypothesis 2 (H2) is as follows,

Brand sensitivity mediates the relationship between consumer ethnocentrism and purchase intention for imported goods among Sri Lankan university students.

Finally, the paper investigates the moderating role of product cues, extrinsic product characteristics such as price, packaging, and country of origin. New evidence confirms the perception of product cues can significantly influence consumer evaluations, and at times even override ethnocentric biases when cues signal superior quality or value (Kulshreshtha et al., 2017; Perera et al., 2021). For instance, if a foreign product displays favorable cues such as quality packaging or competitive pricing, ethnocentric consumers may be more willing to consider purchasing it. These cues serve as informational signals which reduce perceived risk and shift the consumer's attention on the value of a product instead of national identity.

Accordingly, Hypothesis 3 (H3) is as follows,

Product cues moderate the relationship between consumer ethnocentrism and purchase intention for imported goods among Sri Lankan university students.

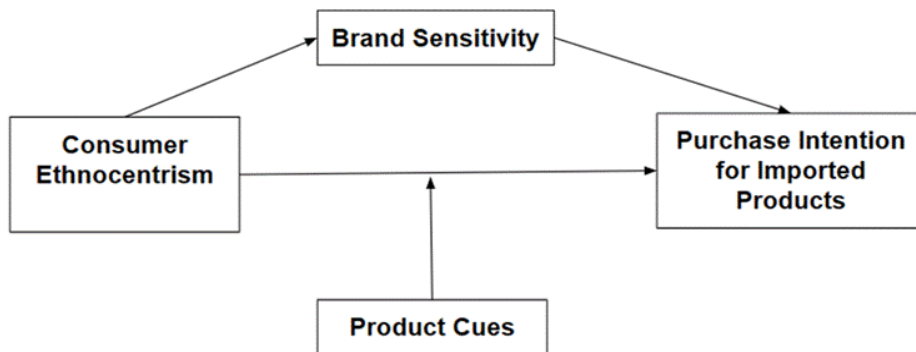


Figure 01: Conceptual Framework

Source: Developed by Author, 2024

Conceptual Framework

Figure 01 above illustrates the conceptual framework of this study, identifying consumer ethnocentrism as the independent variable and purchase intention for imported goods as the dependent variable. The framework also incorporates brand sensitivity as a mediating variable and product cues as a moderating variable.

Research Methodology

Research Paradigm

The research paper subscribes to positivist paradigm that presupposes that the reality is objective, measurable, and independent of what the researcher finds in it (Hughes, 2010). The positivist perspective promotes the use of hypothesis testing using recorded and measurable data, and the objective being to come up with general patterns. It is focused on applying structured tools and statistical methods so that research objectivity is guaranteed (Rehman et al., 2017; Judd et al., 2009). Through this paradigm, the research examines the association between consumer ethnocentrism and Purchase Intention based on the use of empirical evidence on the topic among university students in Sri Lanka.

Research Methodology

The research methodology adopted in the study is a quantitative approach in determining and validating the model of the relationship between the key variables concerning consumer ethnocentrism, brand sensitivity, product cues, and purchase intention. Quantitative methods provide an opportunity of accurately measuring these constructs and making statistical tests on hypotheses. It is the appropriate methodology to consider causality and test a theoretical hypothesis, especially through such tools as structured questionnaires and statistical modeling (Makanyeza and Toit, 2017; Hoeksema et al., 2009).

Research Approach

The research approach is deductive research that started with a theoretical basis that is based on the Theory of Reasoned Action (TRA) and the available literature and based on which hypotheses were created and empirically validated. Positivist research is often deductive in nature because it goes back and forth between theory and data to either confirm or reject known propositions (Bryman, 2016). This was necessary so as to make the research theory driven and aimed at establishing valid relationship between variables.



Research Strategy

Cross-sectional survey is the research strategy used to collect data from a specific population (Sri Lankan university students) at a single point in time. Data was collected using a self-administered online questionnaire. This strategy was chosen due to its efficiency and ability to collect high volumes of standardized data from geographically dispersed respondents. The participants were sampled through snowball sampling as there is no national database of students with multiple universities and faculties.

Population

The students of the university of Sri Lanka formed the target population of the research. The group was chosen because it is a relevant group since it is an emerging consumer market, highly exposed to international brands, and utilizes digital platforms actively with a wide exposure to global consumption patterns. Their constantly changing preferences, combined with their tendency to switch to new product categories and react to brand messaging, make them a very useful sample for examining the relationship between consumer ethnocentrism and purchase intention (Durmaz et al., 2020).

Sampling Method and Size

Due to the absence of a centralized national database of university students and the logistical constraints during post-pandemic operations, the study used the snowball sampling method. The process started with primary contacts from different universities both public and private who were asked to refer peers studying different academic disciplines. Although snowball sampling is often associated with inaccessible groups, it was used in this case due to the unavailability of a formal sampling frame. In order to minimize bias and ensure diversity,

students from various faculties such as management, science, arts etc., and institutions such as University of Colombo, SLIIT, University of Kelaniya etc., were represented in the sample.

The final sample comprised of 200 valid responses, which is considered statistically acceptable to perform Structural Equation Modelling (SEM). According to Hair et al. (2014), a sample size of over 150 is adequate for SEM, especially when multiple latent variables are used in the model. This sample size was sufficient for hypothesis testing and allowed to come up with general observations about the behaviors and attitudes of the university student population in the Sri Lankan Context.

Data Collection and Instrumentation

Data were gathered with the help of a self-administered online survey, distributed through email and social media networks of the university. The questionnaire consisted of five sections, demographic information (Ex: age, gender, university, field of study), Consumer ethnocentrism (17 items were adapted from CETSCALE from Shimp & Sharma, 1987), Brand sensitivity (5 items adapted from Kapferer & Laurent, 1988), Product cues (5 items were adapted from Shim et al., 2001) and Purchase intention (5 items were adapted from Hein et al., 2020). All items were measured on a 5-point Likert scale, ranging from 1 = Strongly Disagree to 5 = Strongly Agree.

Data Analysis Technique

The data were analyzed using Structural Equation Modeling (SEM) through SPSS 26 and AMOS 24. SEM was selected due to its ability to test complex causal relationships between observed and latent variables, assess mediation and moderation effects, and evaluate model fit using indices such as Root Mean Square



Error of Approximation (RMSEA), Comparative Fit Index (CFI), Goodness of Fit Index (GFI), and Tucker–Lewis Index (TLI).

Ethical Considerations

The research process was done in an ethical manner. At the start of the survey, participants were notified about the purpose of the study, and their anonymity and voluntary participation in the study were assured. No personal information was gathered and the respondents would be free to withdraw at any point. Informed consent was taken by a mandatory checkbox prior to the initiation of the survey and all information were only used for academic purposes.

Data Analysis

The consumers of imported products were considered as the targeted respondents of the current study. Based on the data gathered from the respondents, majority of the participants, comprising 64% of the total sample, were female. Moreover, a significant proportion of the respondents, amounting to 65.5%, were found to lie within the age range of 22 to 24 years. The younger cohort of 18 years and below on the other hand had the least level of participation, they only made 3 percent of the total respondents.

Descriptive Statistics

The measure variables (Consumer Ethnocentrism (CE), Purchase Intention (PI), Brand Sensitivity (BS), and Product Cues (PC)) were measured on a five-point Likert scale. Statistics reveals that there is

trend towards positive agreement in all variables, with moderate standard deviations, reflecting a fair spread of responses as shown in Table 01.

Multivariate Assumptions

The chapter at hand discusses the main multivariate assumptions the study requires, i. e. normality, linearity, homoscedasticity, and multicollinearity. The data has shown to be normal, with the values of skewness and kurtosis within a range that proves it to be normal, and confirmed by use of Q-Q graphs which presents normality (Khatun, 2021; Altman and Bland, 1995). The fact that the residual values are clustered around the zero mark depicts that there is a linear relationship between the variables (Osborne and Waters, 2002). Homoscedasticity is confirmed using residual scatter plots, which do not exhibit funnel-shaped distributions, which means that the variance of errors is constant. The reason why multicollinearity should not be explained concerns the fact that the study has a single independent factor that would eliminate the possibility of intercorrelation between the predictors (Shrestha, 2020). There is also satisfactory reliability where Cronbach alpha of constructs like purchase intention, brand sensitivity and consumer ethnocentrism are higher than the 0.7 mark thus defined internal consistency (George and Mallery, 2003). Lastly, the reflective measurement model will be adopted followed by the conceptual framework based on the findings of the existing literature, indicating indicators as manifestations of the latent construct (Wei, 2008; Coltman et al., 2008).

Table 01: Descriptive Statistics

		PI	CE	BS	PC
N	Valid	200	200	200	200
Missing		0	0	0	0
Mean		3.3603	3.1035	3.6820	3.8820
Std. Deviation		0.73518	0.78733	0.78968	0.71991
Skewness		-0.390	0.351	-0.304	-1.200
Std. Error of Skewness		0.172	0.172	0.172	0.172
Kurtosis		0.501	-0.370	-0.354	2.186
Std. Error of Kurtosis		0.342	0.342	0.342	0.342

Source: Researchers Field Work, 2024

Table 02: Reliability Analysis of the Variables

Variables	Cronbach's Alpha	Number of items
Purchase Intention (PI)	0.920	15
Brand Sensitivity	0.882	5
Product Cues	0.765	5
Consumer Ethnocentrism	0.933	17

Source: Researchers Field Work, 2024

Model Specification and Identification

Structural Equation Modeling (SEM) is also popular in the field of social science research to test proposed relationships between hypothesized causes and effects among variables, to estimate model parameters, evaluate model fit, and compare models among samples. SEM is a case that integrates various regression techniques with factor analysis and path

analysis to address multivariate relationships to a theoretical view. It has two primary elements; Figure 02 illustrating the measurement model, which establishes relationships between observed variables and latent constructs, and Figure 03, illustrating the structural model, which tests the relationships among hypothesized variables.

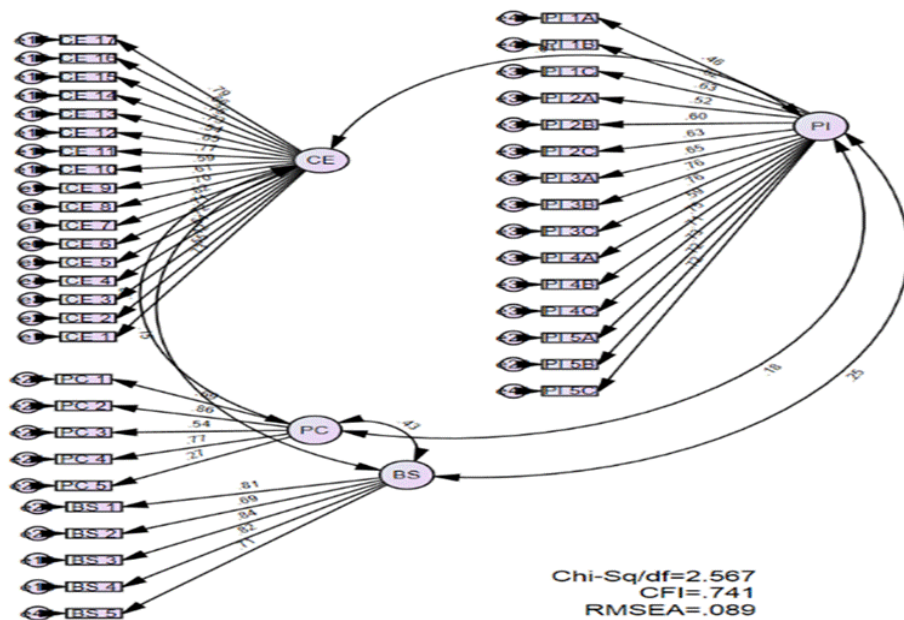


Figure 02 : First order measurement model

Source: Researchers Field Work, 2024

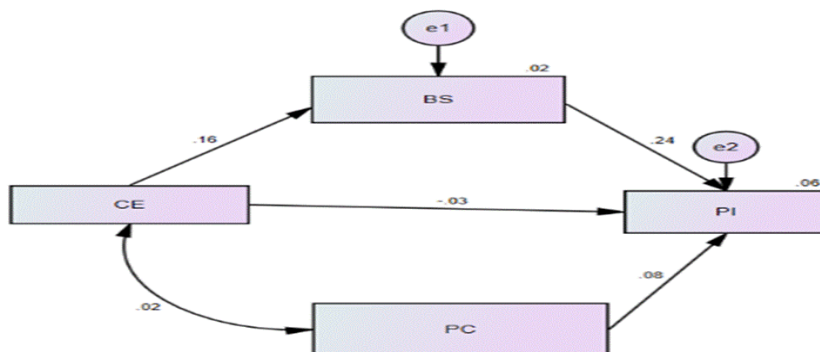


Figure 03: Second Order Measurement model

Source: Researchers Field Work, 2024

The model offers an organizational framework of the analysis of such latent constructs like CE, BS, PC, and PI. The data model fit analysis indicates the applicability of a first-order measurement model in the present research based on absolute, incremental and parsimony data element fit indices. When used as an absolute measure of fit, the indices of CMIN/DF, GFI, AGFI, and RMSEA

show moderate to mediocre fitness, where both CMIN/DF and RMSEA are near the acceptable fit value (Tabachnick and Fidell, 2007; MacCallum et al., 1997). Other incremental fit indices such as NFI, TLI and CFI also indicate moderate levels of fit and therefore they can be improved through model specification (Bentler and Bonnet, 1980; Hu and Bentler, 1999). Nonetheless, the levels of

parsimoniousness of the model parameters are only reached by parsimony fit measures of PGFI and PNFI, which suggest a parsimonious model fit (Joreskog and Sorbom, 1993; Hu and Bentler, 1999). All in all, the measurement model is fairly fit and can be further analysed.

Hypothesis Testing

H1 proposed a significant negative correlation between Consumer Ethnocentrism and the Purchase Intention for imported goods, meaning that a higher level of CE would imply a lower intention of university students to buy foreign products. However, based on statistical findings H1 was not supported, as it was insignificant ($p > 0.05$) with a negative β value of -0.025. This observation indicates that while the relationship is negative, it is not statistically significant in this context.

The second hypothesis (H2) was whether the brand sensitivity mediated the.

correlation between CE and the level of PI towards imported goods. The H2 was supported by data with statistically

significant mediation effect ($p \leq 0.05$). The indirect effects of the mediator (brand sensitivity) were also significant according to the Baron and Kenny test which proved the brand sensitivity as one of the partial explanations of how the intention to buy foreign products is influenced by the effects of CE. As such H2 was accepted and this means that brand sensitivity is a mediating factor in this relationship in Sri Lankan environment.

The hypothesis 3 (H3) was that product cues moderated the relationship between CE and PI which was that product cues may strengthen or weaken the relationship between the two. H3 was supported by the statistical analysis which indicated that product cues moderated level of significance with significant p-value ($p \leq 0.05$). The negative value of the beta further indicated that product cues support the negative linkage between consumer ethnocentrism and purchase intention on imported goods, i.e. in the situational presence of some product cues, the negative impact of CE on diminishing purchase intention is increased.

Table 03: Summary of Hypotheses

	Standard β value	 value	Decision
H ₁	-0.025	0.714	Rejected
H ₂	0.035	0.018	Accepted
H ₃	-0.694	0.048	Accepted

Discussion of Findings

Overview of Key Findings

This research examined how consumer ethnocentrism affects the purchase intention to purchase imported goods

among the Sri Lankan university students where brand sensitivity is the mediator variable and product cues is the moderating variable. The results of the empirical research were in parts supportive of the hypotheses.



Hypothesis 1 (H1), a negative relationship between the consumer ethnocentrism and purchase intention as proposed in the paper was rejected. This implies that ethnocentric attitudes are not very important between university students in Sri Lanka context when considering the intention to buy imported goods. This observation is consistent with the recent studies that suggested that young people exposed to the global trends could segment the sense of national loyalty and consumer preferences (Priyanath and Dangalla, 2022). The outcomes also resonate with that of the authors Good and Huddleston (1995) who noticed the same trend in the transitional economies such Poland and Russia.

Hypothesis 2 (H2), which hypothesize that brand sensitivity mediates the association amid consumer ethnocentrism and purchase intention was upheld. This means that although ethnocentrism might not be a key factor in influencing the intentions to purchase, high brand sensitivity consumers will tend to prefer imported products irrespective of their ethnocentric perception. This is in line with other researchers who have found that strong brand preferences may override the nationalistic consumption inclinations, such as Wei (2008), Gao and Knight (2007), and more recently, Almodarresi and Rasty (2019) showed that foreign brands may have strong brand preferences that could bypass the nationalistic consumption tendencies.

Hypothesis 3 (H3), that the product cues moderate the effect of ethnocentrism in consumers and purchase intention, was also affirmed. Price, packaging, durability and the perceived quality were the product cues that were identified to exert a significant effect on the strength and direction of the association between consumer ethnocentrism and purchasing intention. This is consistent with previous research and some recent research by

Kulshreshtha et al. (2017) and others (Perera et al., 2021; Muchandiona et al., 2021) which state that the presence of well-aligned product cues can overcome ethnocentric resistance, specifically, in the cases when the foreign product fits in the categories of expected and values.

In general, the findings indicate that, although the ethnocentrism can not directly deter the buying of foreign goods in young consumers, the purchase decision is heavily affected by the perceived image and approach to the brands.

Theoretical and Practical Implications

In this study, the research contributes to the changing state of knowledge regarding consumer ethnocentrism by applying the Theory of Reasoned Action (TRA) in a model including the psychological (brand sensitivity) and perceptual (product cues) variables. The results dispel the longstanding belief that ethnocentrism of consumers predicts consumer behavior across the board and therefore the significance of contextual and demographic variables. Furthermore, the mediating and moderating functions of brand sensitivity and product cues confirmed by the studies add new opportunities to the theoretical context, provide new directions to investigate the intention formation in internationalized consumer groups.

In terms of managerial perspective, the results will offer the international marketer and the brand manager, aiming at the young globally oriented consumers of Sri Lanka, a useful guide. To start with, brand sensitivity is important. The brands ought to work on establishing emotional and symbolic relationships that appeal to the consumer hence diminishing the impact of ethnocentrism. Second, company should be focused on product cues like package design, pricing strategy

and quality indicators should be oriented on local tastes. As an illustration, affordability and durability are critical since the Sri Lankan students can view imported products as aspirational but expensive. Locating such attributes without ruining the international brand recognition can make multinational firms surmount the challenges of resistance and create more effective brand appeal.

Limitations and Directions for Future Research

Irrespective of its findings, there are a number of limitations to the study. One, the sample size was reduced to 200 university students, which could not be a good representative of the general population of Sri Lanka. The sampling bias can also be created in the process of the application of the non probability snowball sampling although it is done in a practical manner. Second, the research design is cross sectional that restricts the possibility of causality or inference as well as over time results. Third, the underlying psychological or cultural insights of consumer attitudes and behaviors are not reflected by the quantitative approach applied.

These limitations can be overcome in future studies by considering a number of ways. The generalizability of the findings would be improved by using probability sampling techniques and making the sample large. Longitudinal studies may also help in understanding the timeline changes in consumer ethnocentrism and sensitivity to brand, particularly the changes in the economic or political implementation. Moreover, it would be possible to complement qualitative methods like interviews or focus groups, which would provide a more vivid picture of emotional and cultural underlying reasons of consumer choices. The researchers can also opt to study brand trust or social influence as either

mediating or moderating variables in order to enhance theoretical knowledge even more.

Conclusion

This paper has examined how ethnocentrism by the consumers affects the purchase intention on the imported goods among the Sri Lanka university students and how these two variables, brand sensitivity and product cues, intervened. The results were that CE does not have a significant direct influence on PI, but BS and PC have significant roles in influencing the purchase intentions. This implies that consumers among the modern and brand conscious in new economies might not act in accordance with the old ethnocentric approach particularly when there is high product appeal and brand equity. The research paper adds to the body of knowledge on consumerism within developing economies and provides a practical implication to a global marketer in terms of putting his/her products in an appropriate position in an ethnocentrically oriented economy.

Recommendations

The results imply that marketers ought to prioritize the increase in brand equity and product cues, including the price, the packaging, and the perceived quality, to suit the local consumer expectations. Such strategies have the potential to make the foreign brands attractive to the Sri Lankan university students in spite of the ethnocentric attitudes. Specialized online advertising and influencer activities are also suggested because this customer segment is the most active on the web. The policymakers are supposed to aid local branding and facilitate consumer education that will favor comparison of items as per quality and not origin. As a research topic, it might be beneficial in future research if the study is extended to other demographics and expressed



longitudinally or qualitatively that would offer more insight into the changing consumer behavior in other similar emerging markets.

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