



Impact of Consumer Ethnocentrism on Global Brand Attitude: With Reference to FMCG Products Offered By Multinational Enterprises in Sri Lanka

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ABSTRACT

The fast-moving trend of globalization directs the course for studying relationships among various constructs. Accordingly, this study aims to investigate the impact of Consumer Ethnocentrism on Global Brand Attitude with reference to FMCG products offered by Multinational Enterprises in Sri Lanka. The conceptual framework was constructed using social identity theory, and two hypotheses were derived based on it. A sample of 200 FMCG consumers in Sri Lanka was incorporated via a self-administered online questionnaire. AMOS software was employed to analyze the collected quantitative data and draw outcomes. The findings suggest that there is no significant effect of consumer ethnocentrism on global brand attitude, while global consumption orientation has a positive moderating influence on the relationship. However, these Sri Lankan context-specific outcomes pave the way for future research avenues.

Keywords: *Consumer Ethnocentrism, FMCG, Global Brand Attitude, Global Consumption Orientation, Multinational Enterprises*



1. INTRODUCTION

Marketplace globalisation is one of the major development trends in today's world. Emerging trends in globalisation and market integration have accelerated the entry of many global brands into the Sri Lankan market. Evidence of brand globalisation is visible in the fast-moving consumer goods (FMCG) sector. Singh et. (2014) have stated that FMCG are small valued products that customers spend little time of choice and purchase.

Allied Market Research (2023) has projected that the global FMCG market will reach \$18.9 billion by 2031. With the impact of globalisation above mentioned top global FMCG brands competing side by side with the Sri Lankan origin brands such as Maliban, Munchee, Hiland, Palawatta, BCC, Elephant house, and Swadeshi. The growing trend associated with the FMCG sector intensifies the interest in a study in the FMCG sector of Sri Lanka.

Evidence from Alden et al. (2013), Agbonifoh and Elimimian (1999), Dimofte et al. (2008), Klein et al. (1998) Guo (2013), suggest that consumer ethnocentrism and global brand attitude are commonly researched areas in the world. However, according to Alden et al. (2006), Guo (2013), and Naseem et al. (2015) it appears that a limited number of research have been carried out to show the effect of consumer ethnocentrism on the global brand attitude and it seems that there are no proper studies in the Sri Lankan context. Agbonifoh and Elimimian (1999), Javalgi et al. (2005) and Lee et al. (2010) have shown that even though the ethnocentrism is a global phenomenon, the level of ethnocentrism differs from context to context. Furthermore, they explain how the level of cultural diversity in those contexts stand a challenge in understanding the ethnocentric tendencies.

This study aims to evaluate the impact of consumer ethnocentrism on global brand attitude concerning FMCG products offered by multinational enterprises in Sri Lanka. Accordingly, the research addresses the following questions:



1. What is the impact of consumer ethnocentrism on global brand attitude?
2. How does global consumption orientation moderate the relationship between consumer ethnocentrism and global brand attitude?

2. LITERATURE REVIEW

2.1. Global brand attitude (GBA)

Alden et al. (2006) demonstrated that the perception towards global brands is known as the global brand attitude in simple terms. Riefler (2012) shows how economic globalisation affected the attitude toward the global brand, Coca-cola. According to Naseem et al. (2015), if a consumer has a kind of bias towards global culture, that person will have a positive global brand attitude. Furthermore, the scholar explains that consumers who have negative attitudes toward globalization will have negative attitudes toward global brands as well. Sharma (2010) has found that more ethnocentric consumers tend to have negative attitudes towards global brands.

Alden et al. (2006), Magnusson et al. (2011), and Riefler (2012) have shown that global brand attitude of a person will form with the effect of factors such as consumer ethnocentrism, global consumption orientation, consumer cosmopolitanism and brand attitude. However, Holt et al. (2004) show that the attitude towards the global brand is not the same all over the world and it differs from context to context.

In this study, it will look at the global brand attitude with reference to the global FMCG brands in the Sri Lankan market. Accordingly, the effect of ethnocentrism of Sri Lankan consumers on global brand attitude will be studied with the moderating role of global consumption orientation.



2.2. Social Identity Theory

Social identity theory can be used to explain the relationship between consumer ethnocentrism and the global brand attitude. “Social identity theory is an interactionist social psychological theory of the role of self-conception and associated cognitive processes and social beliefs in group processes and intergroup relations” (Tajfel & Turner, 1986, p.238). Furthermore, Tajfel (1982), and Tajfel and Turner (1986) explain that nationality and ethnicity are common criteria of the inner group. This shows that people tend to perceive their inner group as superior to the other outer groups (Tajfel & Turner, 1986). Brown et al. (1988) state that the in-group biasness can go to an extreme where the ethnocentric consumer disregards his benefit over the in-group favor. Furthermore, they show that they will select local brands over the quality and popular global brands which perfectly explains the rationale of the social identity. Reed (2002) provides his justification for social identity theory, declaring that social identity-related facts will be highly cared for by the groups who have strong social identities.

Supphellen and Rittenburg (2001) employed social identity theory to define the behavior of ethnocentric consumers who tried to explain the positive aspect of local goods without casually accepting the popular fact that foreign brands are superior. Furthermore, they suggest that the in-group favoring over the out-group clearly establishes the principles of social identity theory. Guo (2013) has extended the theory to show that consumers with high ethnocentric levels tend to favor local brands over global brands.

According to insights from similar studies such as, Guo (2013), Li and He (2013), and Supphellen and Rittenburg (2001), the social identity theory is drawn in this study to explain the relationship between consumer ethnocentrism and global brand attitude with the moderating role of global consumption orientation. This theory will be used to explain the attitude change due to in-group biasness.



2.3. Consumer Ethnocentrism (CET)

A large body of literature can be found on the concept of consumer ethnocentrism such as Alden et al. (2006), Durvasula et al. (1997), Guo (2013), Klein et al. (2006), Naseem et al. (2015), and Shimp and Sharma (1987). According to Shimp and Sharma (1987), Consumer ethnocentrism refers to the local consumers' belief that purchasing foreign products is immoral or inappropriate. The research shows that consumer ethnocentrism carries the idea that foreign product purchase will lead to the deterioration of the local economy and will cause to unemployment of local citizens and is generally usually unpatriotic. Furthermore, Shimp and Sharma (1987) say that people tend to accept their group blindly by rejecting others. CETSCALE developed by Shimp and Sharma (1987) is used by researchers to measure ethnocentric attitudes and preferences. Guo (2013) shows that consumer ethnocentrism harms the global brand attitude.

In the view of Vida and Fairhurst (1999), consumer ethnocentrism can be placed in a spectrum that has two extreme ends highly ethnocentric to non-ethnocentric. Highly ethnocentric consumers think that buying foreign good is wrong while the other extreme buy foreign goods by perceiving that the foreign goods are always better than their own country goods. Naseem et al. (2015) show that consumer ethnocentrism of American consumers affects negatively towards the attitude of foreign brands while it affects positively on attitude towards local brands. Many researches including Naseem et al. (2015) and Shimp and Sharma (1987) support this relationship while Supphellen and Rittenburg (2001) argue that consumer ethnocentrism's impact on brand evaluation may differ from its impact on product evaluation. As a contradiction to the general findings, Papadopoulos et al. (1990) have found that Hungarians who are from the eastern Europe tend to buy products from the westerns because of those superior value instead of locally made products. Thus, they argue that ethnocentric propensities are different in the Eastern European countries. Moreover, Yu et al. (2021) have stated that there is trivial ethnocentrism effect on the attitudes towards the foreign brands and Klein et al. (1998) say that it can be even negative.

Furthermore, Guo (2013) has found a negative relationship between consumer ethnocentrism and global brand attitude and the scholar highlights that the effect is low in the context of India.

As it is suggested in the above-cited literature, the level of consumer ethnocentrism will differ from context to context according to cultural behaviours. As Hofstede Insights (2023) explains different countries are at different dimension levels and it further proves that different contexts are culturally different. Therefore, this study is aimed to generate findings with relation to Sri Lankan consumers and it will show how the ethnocentrism of Sri Lankan consumers affect the global brand attitude.

According to Bizumic (2012), Ethnocentric consumers will not be reluctant to sacrifice the economic benefit for the psychological benefits received by avoiding the out group. This shows a that ethnocentric consumers carries more negative attitudes on the global brands. Literature has shown that high consumer ethnocentrism will lead to negative attitude about global brands. To elaborate more, Shrimp and Sharma (1987) prove that high ethnocentric customers form emerging markets like India and China tend to have more negative attitude towards global products from developed countries. To summarise, ethnocentrism create a negative perception on global brands as those are considered as out group. Thus:

H₁: Compared with consumers who exhibit high levels of ethnocentrism, consumers who exhibit low levels hold more positive attitudes toward global brands.

2.4. Global consumption orientation (GCO)

According to Alden et al. (2006), GCO can be defined as a mindset geared toward the global dispersion of consumption options such as assimilation, separation, hybridisation, or marginalisation. This simply means a person perceives the world as a whole. Alden et al. (2006) have shown that GCO orientation is highly affected by economic and political globalisation. Guo (2013) states that communication is a



major driver of this concept and consumers with GCO tend to perceive them as global citizens who live in a global world. Alden et al. (2006) have shown that global-oriented consumers practice globally understandable cultures to show that they belong to the world culture as a whole.

Alden et al. (2006) elaborate that GCO has a positive influence on the global brands offered by developed countries. According to the research findings, they show that GCO has a positive relationship with the global brand attitude in that context. Naseem et al. (2015) further elaborate that a higher level of GCO will result in more positive attitudes towards global brands.

However, Guo (2013) argues that the existing literature does not consider local and global orientation which would be critical concepts to evaluate the consumer's global brand preference. Hence, he highlighted the possible effect of global consumption orientation in the relationship between consumer ethnocentrism and global brand attitude in his study and ended up proving that there is no such effect in both Chinese and Indian contexts. Accordingly, the current study will critically evaluate the moderating effect of global consumption orientation on the relationship between consumer ethnocentrism and global brand attitude.

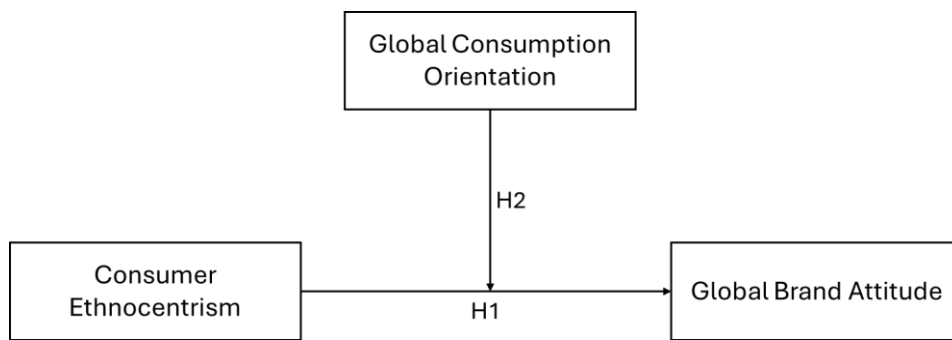
Steenkamp and de Jong (2010) have stated that the deep value carried by consumer ethnocentrism has a strong push to reject global products. According to Homer and Kahle (1988), the ethnocentric effect is anticipated to be persisting since the values play the most abstract and general role in all social cognition. Researchers have shown that resistance to foreign goods and global brands is created by ethnocentrism which is a complete contrast to the idea of the GCO. Guo (2013), Klein et al. (1998), and Shrimp and Sharma (1987) suggest that this ethnocentric effect can be either independent or can be influenced by GCO. As described earlier GCO is the favoritism to use global goods and the favoritism to adapt to the global lifestyle while ethnocentrism carries deep moral beliefs that enhance the attachment to the local products. Moreover, Guo (2013) explains that the desire to consume by the plurality global pattern can diminish group biases and patriotism illustrated by ethnocentrism.

Therefore, customers with high GCO negatively affect the ethnocentrism of global brands. Therefore:

H₂: GCO moderates the effect of consumer ethnocentrism on global brand attitude. For consumers with low GCO, ethnocentrism produces negative attitude towards global brands. No such effect emerges for consumers with high GCO.

Refer to Figure 1 for the conceptual framework.

Figure 1: Conceptual Framework Developed with Reference to the Existing Literature



Source: Author Developed

3. RESEARCH METHODOLOGY

3.1. Research Methodology

The current study has adopted a quantitative methodology based on the nature of the research questions (Saunders et al., 2012) and is in line with related studies (for example, Alden et al., 2006). The survey strategy was utilised and data was collected through an online self-administered questionnaire from a convenient sample of 200 consumers of FMCG products in Sri Lanka. A snowball technique was used to share the questionnaire. Structured equation model (SEM) was utilized as the data analysis model through the confirmatory factor analysis (CFA) and accordingly, AMOS software was adopted as the analysis tool in this study.



The Google form-based survey questionnaire was designed with four sections. In section one, global brand attitude (GBA) is measured by two items adopted from the global brand attitude measures developed by Alden et al. (2006). In section two, consumer ethnocentrism (CET) is measured by five items adopted from the consumer ethnocentrism measures in the CETSCALE scale by Shimp and Sharma (1987). In section three, global consumption orientation (GCO) is measured by four items adapted from the global consumption orientation measures by Alden et al. (2006). This study used a seven-point Likert-type scale where “strongly disagree” is denoted by “1” and “strongly agree” is denoted by “7”. The fourth section of the questionnaire was designed to collect the demographic data of the respondents under factors such as age, gender, marital status, income, highest educational level, and occupation.

4. DATA ANALYSIS AND FINDINGS

4.1. Data profile

This study has considered Sri Lankans who consume FMCG products offered by MNEs operating in Sri Lanka. Data was collected from a sample of 200 consumers and 68.5% were females while 31.5% of the respondents were males. The majority of the respondents are from the age range of 20-29 years and it amounts to 76.5%. The lowest response level is from the above 60 range which is 0.5%. Out of the total sample, 58.5% of respondents are either students or undergraduates. The lowest percentage of employment status measure is from the other category which is just 0.5%. The majority of respondents' income is less than 30,000 LKR and it amounts to a value of 60%. Demonstrating the lowest level of the sample, 50,000 - 69,999 LKR and 70,000 - 89,999 LKR income range amount only to 7% of the sample. The survey was conducted across Sri Lanka; most respondents are from the Western province, which amounts to 60%, and the lowest response rate is from the Northwestern province, which amounts to a value of 0.5%.

4.2. Multivariate Assumptions

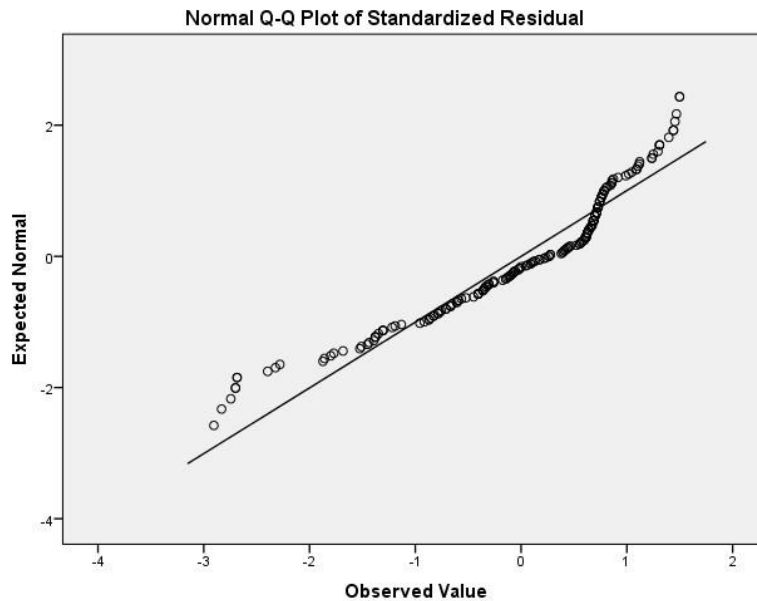
Kline (2023) states that a skewness level lower than positive 3 and a kurtosis score below positive 10 will imply a normal distribution. Accordingly, all the constructs of the current study (GBA, CET, and GCO) are fairly symmetrical and normally distributed as those are well within the thresholds regarding both of the above score levels. According to Kroll and Emancipator (1993), the linearity test is used to find out the relationship between the independent variable and the dependent variable.

As Potter (1991) states there can be a straight-line relationship between the residuals scattered around the zero point. Most of the residuals in Figure 2 are gathered around the zero line which shows a considerable linear relationship between the variables. Accordingly, the dependent variable (GBA) and the independent variable (CET) of the current study show a considerable linear relationship.

Homoscedasticity can be simply defined as the uniform nature of the error term through all the values of the variables (Statistics solutions, 2013). According to Astivia and Zumbo (2019), if there are random errors without a noticeable pattern on the residual plot, it exhibits heteroscedasticity. In contrast, they state that it is homoscedastic if there is a uniform clustering trend around the zero axis. Therefore, it is implied that reaching normality in a certain dataset will automatically result in homoscedasticity.

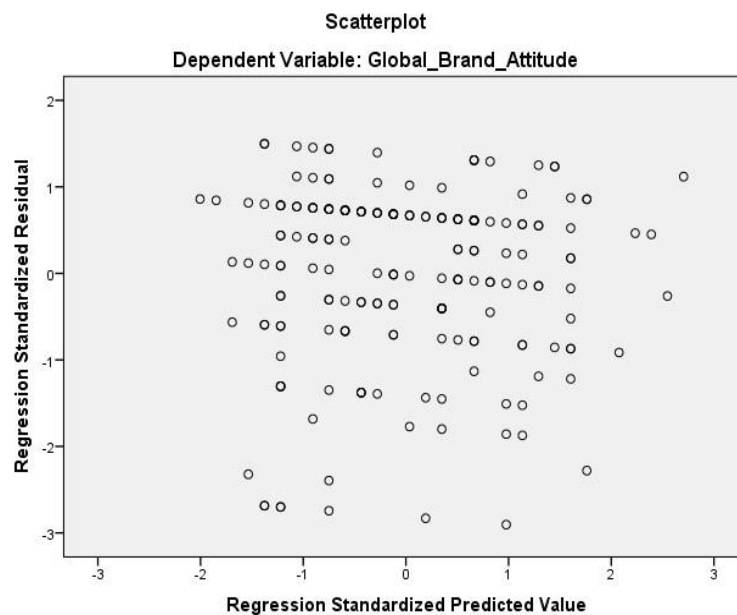
The scatter plot in Figure 3 appears to be randomly distributed with any systematic trend and does not show a funnel-shaped behaviour. Thereby it's evident that linear relationship and homoscedasticity are supported, as the residual plots diffuse largely about the zero point. Therefore, the findings of the current study demonstrate a linear relationship with homoscedasticity. Alin (2010) suggests that it's the linear relationship between two or more variables or insufficiency of orthogonality between the variables. However, the current study does not involve multiple independent variables, therefore the assumption of multicollinearity is irrelevant in this study.

Figure 2: Normal Q-Q plot of standard residuals



Source: Survey Data

Figure 3: Regression plot of the variables of the current study



Source: Survey Data

4.3. Reliability

Cronbach's Alpha (α) is the most frequently used tool to test reliability and it will take a value between 0 and 1 (Heale & Twycross, 2015). Many scholars including Taber (2018) have suggested that the acceptable level of reliability of a study is 0.7 or above.

Table 1: Reliability analysis of variables

Variable	Cronbach's Alpha	Number of items
Global Brand Attitude (GBA)	0.905	2
Consumer Ethnocentrism (CET)	0.789	5
Global Consumption Orientation (GCO)	0.817	4

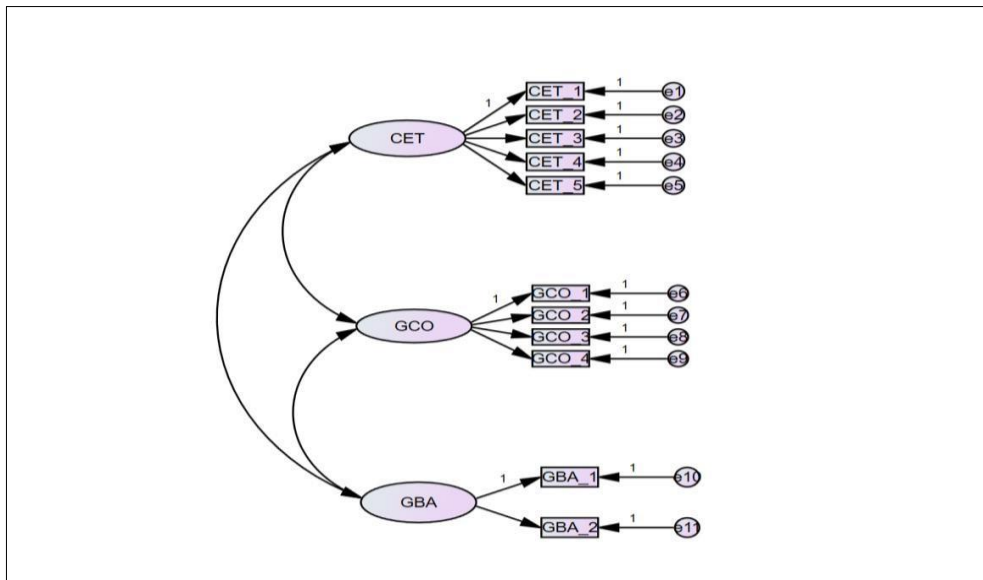
Source: Survey Data

According to Table 1, the current study has employed Cronbach's Alpha to test the reliability of each variable scale. Accordingly, Global brand attitude (GBA) indicates a value of 0.905, Consumer ethnocentrism (CET) had a value of 0.789 and Global consumption orientation (GCO). Therefore, all variables are above the expected reliability level of 0.7 (Kubiszyn & Borich, 2015).

4.4. Model specification and identification

The implicit or explicit models that relate the latent variable to its indicators have been referred to as measurement models (Bollen, 1998) and they are in types, namely, reflective and formative measurement models (Diamantopoulos et al., 2008). The reflective model shows the causal link from the constructs to measurement items while the formative model demonstrates the opposite behaviour (Hanafiah, 2020). In the formative measurement model, the latent variable will be determined by its indicators while in the reflective measurement model, the indicators are shaped by the latent variable's influence (Bagozzi & Yi, 1988; Jarvis et al., 2003). The current study has employed a reflective model with its variables namely, Global brand attitude (GBA), Consumer ethnocentrism (CET), and Global consumption orientation (GCO). Figure 4 illustrates the reflective model derived based on the current study.

Table 2: First order measurement model



Source: Survey Data

4.5. Data Model Fit Assessment

A goodness of fit index is commonly employed to recapitulate to contracts between the value expected in the statistical model and the values observed (Maydeu Olivares, 2013).

According to Statistische Beratung Leonardo Miljko (2020), Chi square test, Goodness of fit index (GFI), Comparative fit index (CFI), and Root mean square error of approximation (RMSA) are major SEM model fit parameters used in AMOS. Table 2 demonstrates the value of fit indices compared to the accepted threshold levels in the exciting literature.



Table 3: Data model fit indices

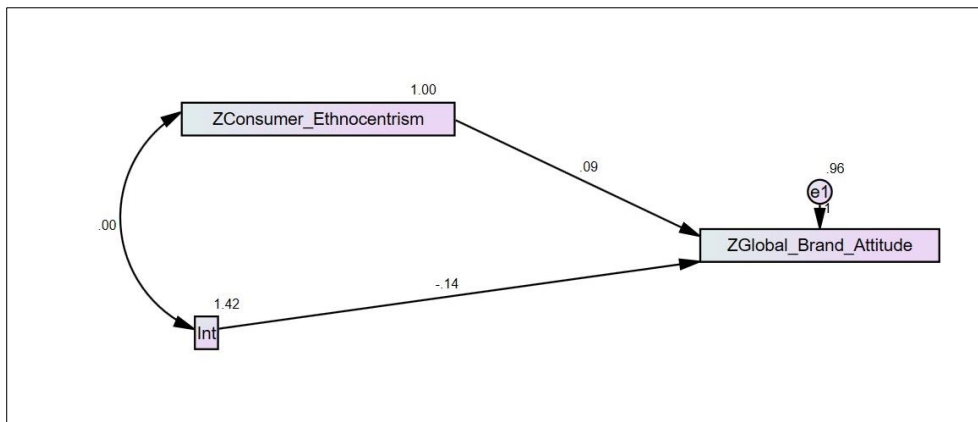
Type of index	Fit measure	The result	Interpretation
Absolute fit	CMIN/df	2.415	Likely to indicate a good fit as the value is less than 3 (Kline, 1998; Kline, 2005) or 5 (Marsh & Hocevar, 1985; Wheaton et al., 1977)
	GFI	0.914	Likely to demonstrate a good fit since the value is greater than 0.9 (Hair et al., 1998; Hu & Bentler, 1998; Kline, 2005)
	AGFI	0.862	Tend to have accepted fit since the value is greater than 0.8 (Hu & Bentler, 1998)
	RMSEA	0.084	Likely to have an acceptable fit since the value is in the range of 0.08 to 0.10 (Brown & Palincsar, 1989)
Incremental fit	NFI	0.896	Tend to demonstrate a moderate level of fit as it is very closer to the acceptable threshold level of 0.9 (Bentler & Bonett, 1980)
	TLI	0.913	Tend to indicate a good fit as the value is greater than 0.9 (Brown, 2006)
	CFI	0.935	Likely to reflect an acceptable fit since the value is greater than 0.9 (Fan et al., 1999)
Parsimony fit	PGIF	0.568	Likely to indicate a value above the threshold level of 0.5 (Mulaik et al., 1989)
	PNFI	0.668	Likely to have an acceptable fit since the value is greater than 0.5 (Brown, 2006)

Source: Survey data

4.6. Structural Model

According to Kline (2005), the structural model is the backbone of SEM, allowing researchers to statistically rigorously test hypotheses, validate theoretical structures, and deduce causal linkages. It allows researchers to examine elaborate theoretical constructions, test hypotheses, and validate hypothesized links, allowing for a better understanding of the underlying mechanisms at work (Bollen, 1998; Byrne, 2013).

Figure 4: Structural model



Note: Chi-square = 99.033 Degrees of freedom = 41 Probability level 0.000

4.7. Hypothesis Testing

The two hypotheses (H_1 and H_2) used in the study were derived related to the respective objectives to measure the relationship between the three variables. The first hypothesis (H_1) is rejected since its p value ($p=0.180$) is below the required significance level of 0.05 ($p \leq 0.05$) but the positive beta value of 0.093 indicates that there is a positive relationship. The second hypothesis (H_2) is at an acceptable level of significance given that its p value is 0.017 ($p \leq 0.05$). This hypothesis demonstrates a negative relationship since the beta value is -0.166.

Table 4: Summary of hypothesis testing

Path	Hypothesis	Standard β value	p value	Decision
Global brand attitude <- Consumer ethnocentrism	Compared with consumers who exhibit high levels of ethnocentrism, consumers who exhibit low levels hold more positive attitudes toward global brands	0.093	0.180	Rejected
Global brand attitude <-- Int (CETxGCO)	GCO moderates the effect of consumer ethnocentrism on global brand attitude, for consumers with low GCO, ethnocentrism produces a negative attitude toward global brands. No such effect emerges for consumers with high GCO	-0.166	0.017	Accepted

Source: Survey data

5. DISCUSSION, FUTURE IMPLICATIONS AND LIMITATIONS OF THE STUDY

5.1. Discussion

According to the findings of the study H_1 , compared with consumers who exhibit high levels of ethnocentrism, consumers who exhibit low levels hold more positive attitudes toward global brands was rejected. Shimp and Sharma (1987), one of the most cited articles in the existing literature was conducted with 950 United States households through a mail questionnaire. From that, it has been found that ethnocentric consumers tend to have negative attitudes towards foreign products. Furthermore, Alden et al. (2006) argue that consumers with highly ethnocentric behaviours tend to have negative attitudes toward global brands. They studied the customer attitudes toward the consumption alternative due to market globalisation through a mail questionnaire from a household sample in Korea and the USA.

Accordingly, it can be identified that the above literature contradicts the findings of the H₁ of the current study.

The study by Papadopoulos et al. (1990), which was conducted to investigate the national stereotypes and product evaluation in socialist countries and is different from the findings of the current study. It was conducted with a sample of 300 consumers from a few countries and found that Hungarians' ethnocentric propensities are different than normal nature and they tend to have positive attitudes towards Western products due to high quality. Accordingly, it can be identified that the above literature contradicts the findings of the H₁ of the current study. Moreover, Guo (2013) intended to investigate the influence of consumer ethnocentrism on Global brand attitudes from developed vs. emerging countries. From the four tests in the context of both India and China, it was discovered that consumers with low ethnocentrism hold more positive Global brand attitudes and highlighted that the effect is low in India. Guo (2013) further highlights that the national-level cultural value perspective has led to contextual differences. Accordingly, the current study's finding further extends the contradictory finding while highlighting the contextual differences.

The findings of the current study accept the H₂, 'Global consumption orientation moderates the effect of consumer ethnocentrism on global brand attitude, for consumers with low global consumption orientation, ethnocentrism produces a negative attitude toward global brands'. Guo (2013) has attempted to investigate a similar relationship and found that it was rejected in both countries, which means Global consumption orientation does not moderate the effect of consumer ethnocentrism and Global brand attitude. Accordingly, current research brings forward a contradictory finding to the existing literature on the moderating effect of Global consumption orientation in the relationship between Consumer ethnocentrism and Global brand attitude. However, Studies such as Alden et al. (2006) and Steenkamp and de Jong (2010) demonstrated that the relationship between global consumption orientation, Consumer ethnocentrism and global brand attitude is not that straightforward in nature.



5.2. Implications of the Study

The impact of Consumer ethnocentrism on Global brand attitude seems to be often overlooked in existing literature, except for a few studies (Alden et al., 2006; Guo, 2013; Naseem et al., 2015). Thus, the current study investigates and extends the findings concerning consumer ethnocentrism, global brand attitude, and global consumption orientation. Accordingly, the current study will extend the findings of many studies such as Agbonifoh and Elimimian (1999), Alden et al. (2006), Guo (2013), Naseem et al. (2015), and Wang et al. (2004). Even though the above relationship has been previously explored in contexts such as India, China (Geo 2013), USA (Shimp & Sharma, 1987), Hungary (Papadopoulos et al., 1990) and Russia (Klein et al., 1998), it seems there is no such proper research work has done in the context of Sri Lanka. There stands a valid contextual gap in the existing literature and the current study attempted to address the gap. Furthermore, according to Sharma (2010) and Wang et al. (2004), the dynamic nature of consumer ethnocentrism over time requires continuous testing and the current study assists in a better understanding of the present status.

Moreover, the social identity theory has been commonly traced by scholars to explain the behaviour of these variables (Bartsch et al., 2016; Guo, 2013; Li & He, 2013; Watson & Wright, 2000). The current study's pieces of empirical evidence grant extension for the theory with insights from the Sri Lankan context. A considerable body of literature, including Alden et al. (2006) and Naseem et al. (2015) has studied the relationship between these three variables (CET, GCO and GBA). However, there are only a very few studies that illustrate the moderating role of global consumption orientation in the relationship between consumer ethnocentrism and global brand attitude (Geo, 2013) Therefore, it seems most of the studies have ignored the moderating effect of global consumption orientation. Following that, the current study attempts to touch a niche research area and derive extensions for the existing body of literature.



From a practical perspective, managers of MNEs in the FMCG sector need to consider customers' attitudes in the particular context before setting out their entry decisions and those need to be carefully evaluated. Klein (2002) states that a player needs to consider the brand attitude of the potential market before entering. Generalised findings on the relationship between the above variables will not provide accurate signals for the entry decisions. Hence the context specified findings from this study can be utilised by managers for accurate entry decision-making. Accordingly, management bodies of MNEs can employ the findings of this study to make managerial decisions as this study is specific to the Sri Lankan context. The current study suggests that the global brand attitude doesn't get negatively affected by consumer ethnocentrism in the Sri Lankan context. Therefore, this might provide a positive signal for management bodies of MNEs in the FMCG sector who intend to enter the local market. The findings of the study suggest that global consumption orientation moderates the relationship between consumer ethnocentrism and global brand attitude. Therefore, MNE managers can use the findings of this moderating role to fine-tune the localisation decisions.

Guo (2013) states that global marketing managers need to observe globalisation-related psychological characteristics of consumers such as consumer ethnocentrism and global consumption orientation. These constructs can provide signals in selecting the target market and positioning the products to the market. From the point of marketing managers, the findings can be incorporated into designing effective communication tools to reach the target market with a global theme as the global consumption orientation moderates the relationship between consumer ethnocentrism and global brand attitude. Furthermore, these empirical shreds of evidence can be utilised by the senior management to initiate long-term succession plans for MNEs operating in the Sri Lankan FMCG market.



5.3. Limitations and avenues for future research

The current study employed only global consumption orientation to moderate the relationship between consumer ethnocentrism and global brand attitude. However, more constructs such as Global identity and Proglobal orientation can be used in future studies to build better relationships and findings. Only the samples from Sri Lankan FMCG consumers were considered as the population of this study. Accordingly, the generalisability of this study to all the nations worldwide is relatively low as these constructs are context-sensitive. Future research could consider a large sample considering all demographic fields to improve the validity of the findings. This study was performed through a cross-sectional design, where the data was collected through a self-administered questionnaire at a given time. It can be considered a major drawback since the findings may reflect more reliable evidence if the data was collected over time utilising a longitudinal design. The reliability of the findings may not be as of a larger sample since only 200 FMCG consumers from a large population were employed in the study. Moreover, the generalisability of these findings over the different sectors is questionable since only the FMCG sector consumer was utilised in deriving the findings of the study. It could employ emerging sectors in the world such as technology, fashion and education to extend these findings. Furthermore, this study does not involve in-depth insights unlike in the qualitative method as the empirical evidence is derived through statistical relationships. Future studies could adopt a qualitative method with the same constructs to receive in-depth insights depending on the situation.

5.4. Conclusion

This study investigated the impact of consumer ethnocentrism on global brand attitudes regarding FMCG products offered by Multinational Enterprises in Sri Lanka. Data was collected from 200 FMCG consumers in Sri Lanka through a self-administered questionnaire. Two hypotheses were incorporated to find the relationship between consumer ethnocentrism, global brand attitude and global consumption orientation, and H_1 was rejected while H_2 was accepted.



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