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Consumer Xenocentrism as Determinant of Foreign Product Preference: A System Justification Perspective

George Balabanis and Adamantios Diamantopoulos

ABSTRACT

Foreign and domestic product purchase behavior largely depends on consumer predispositions. The dominant construct in international marketing literature explaining such behavior has been consumer ethnocentrism, which is conceptually anchored in social identity theory. However, such a perspective overlooks evidence that certain consumers are consistently attracted by the “foreignness” of a product. Drawing from system justification theory, the present investigation conceptualizes and provides an empirical test of the consumer xenocentrism construct that is intended to explain consumer attraction toward foreign products. Using survey data from five complementary studies, the authors develop and validate a new scale (the C-XENSCALE) to measure consumers’ xenocentric tendencies and offer extensive evidence on its ability to explain consumer preferences for foreign products. The authors discuss implications of the findings for theory and managerial practice and identify future research directions.

Keywords: consumer xenocentrism, consumer ethnocentrism, system justification, inferiority beliefs, social aggrandizement

Our people have an incomprehensible affinity for foreign products, even if what is available locally is far much better.

—All Africa (2004), p. 3

Proclamations such as this are common in the business press and reflect the observation that, in many countries, a large segment of consumers has a general tendency to favor foreign products consistently despite their higher prices and sometimes even lower quality. Although most examples of this blatant preference for foreign products come from developing countries and

emergent markets (e.g., Agbonifoh and Elimimian 1999; Batra et al. 2000; Zhou and Hui 2003), the phenomenon has also been observed among consumers in economically developed countries such as Japan (Delanty 2003), France (Kuisel 2003), the United Kingdom (Campbell 2004), Austria (Bernold 2003), and Singapore (Singapore Business Review 2013).

Importantly, the observed proclivity to opt for foreign products is not limited to a specific class of products and extends beyond those that are conspicuously consumed. Indeed, “researchers have documented the preference for a range of foreign goods preferred over qualitatively or functionally similar or better domestic goods that are

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often less expensive such as processed foods, infant food formula, toothpaste, cereals, clothing and footwear, soaps and detergents, cosmetics, building materials and pharmaceuticals” (Mueller, Broderick, and Kipnis 2009, p. 8). Sometimes, even high animosity toward a country cannot restrain consumer appetite for foreign goods. For example, Middle Eastern countries’ declared animosity toward the United States and its Western allies has failed to eradicate their desire for Western products; thus, paradoxically, “people in the Middle East want Western products.... What they don’t want ... is the West” (May 2007, p. 3).

International marketing literature has largely overlooked such phenomena, focusing instead on social identity theory explanations of consumer behavior regarding the tendency to favor domestic products and reject foreign products. Thus, considerable theoretical and empirical effort has been invested to study the phenomenon of domestic country bias (Balabanis and Diamantopoulos 2004) by invoking constructs such as consumer ethnocentrism (e.g., Shimp and Sharma 1987; Siamagka and Balabanis 2015), national identity (e.g., Dimitrovic, Vida, and Reardon 2009; Verlegh 2007) and economic nationalism (e.g., Cheah and Phau 2015; Lee, Kyung, and Lee 2014). Similarly, researchers have extensively studied the bias against product purchase from foreign countries, utilizing the consumer animosity construct as the key explanatory variable (Klein 2002; Klein, Ettenson, and Morris 1998; Riefler and Diamantopoulos 2007).

In contrast, “favorable attitudes towards foreign countries, their sources, and their consequences, have received only scant attention” (Oberecker, Riefler, and Diamantopoulos 2008, p. 23, emphasis added). Indeed, according to Josiassen’s (2011) “consumer attraction-repulsion matrix,” the only construct signifying a positive disposition toward foreign countries is consumer affinity. However, the latter reflects “a feeling of liking, sympathy and even attachment toward a specific foreign country” (Oberecker, Riefler, and Diamantopoulos 2008, p. 26, emphasis added) and does not capture consumer proclivity toward preferring foreign products in general.

The consumer cosmopolitanism construct (Cleveland, Laroche, and Papadopoulos 2009; Riefler, Diamantopoulos, and Siguaw 2012)—which is clearly an out-group-oriented construct (Zeugner-Roth, Zabkar, and Diamantopoulos 2015)—has also been unable to fully explain this proclivity.1 This is because “a cosmopolitan orientation is characterized by the formation of multiple (local and foreign) loyalties” (Riefler, Diamantopoulos, and Siguaw 2012, p. 292) and because “local norms can take precedence over cosmopolitan norms in situations where this seems appropriate” (Cannon and Yapruk 2012, p. 28). As a result, cosmopolitanism has been found to positively affect not only evaluations and purchase intentions of foreign products but also those relating to domestic products (Zeugner-Roth, Zabkar, and Diamantopoulos 2015).

Thus, there is a need for a new theoretical explanation for the frequently observed phenomenon of flagrant preferences toward foreign products that go far beyond the utilitarian superiority of such products over domestic goods. In this article, we argue that consumer xenocentrism (C-XEN) can offer such an explanation and that system justification theory (SJT; Jost and Banaji 1994) can provide the relevant theoretical underpinning of the C-XEN construct. The latter’s conceptual forefather is Kent and Burnight’s (1951, p. 256) broader xenocentrism construct, defined as “the view of things in which a group other than one’s own group is the center of everything, and all others, including one’s own group, are scaled and rated with reference to it.” Although the potential relevance of xenocentrism for studying consumer behavior has been previously recognized (Mueller, Broderick, and Kipnis 2009), consumers’ xenocentric tendencies have yet to be subjected to systematic empirical study. This lack of research can be explained partly by an inadequate understanding of C-XEN’s conceptual domain and partly by the absence of a theoretically anchored and psychometrically sound scale to measure C-XEN in applied settings.

Our intended contribution is fourfold. First, we draw on SJT (Jost and Banaji 1994) and conceptualize C-XEN as a second-order construct reflected in two dimensions: perceived inferiority and social aggrandizement. This conceptualization aims at enhancing theoretical understanding of C-XEN by delineating its domain of content, specifying its dimensionality, and clarifying its linkages to theoretically related variables (notably, consumer ethnocentrism and xenophilia). Importantly, our conceptualization of C-XEN is not based on consumer enactment of or alignment with an adopted social identity, as posited by social identity theory (Tajfel and Turner 1986), but on the acceptance and internalization of differences in the relative standing of the home country versus foreign countries (Jost, Banaji, and Nosek 2004). Second, we develop and validate—in multiple studies—a robust measurement scale of consumers’ xenocentric tendencies, the C-XENSCE. We show that our scale is characterized by stable dimensionality, high reliability,
and construct validity, and it is not materially affected by socially desirable responding (SDR). Third, we profile xenocentric consumers on several important characteristics that influence consumer behavior and are used by firms to segment and target consumers (i.e., collective self-esteem, susceptibility to interpersonal influence, self-confidence, vanity, materialism, and social dominance orientation). Finally, we test the C-XENSCALE’s predictive validity by linking it to several managerially relevant outcome variables—namely, country-of-origin perceptions, buying intentions for domestic/foreign products, and preferences for foreign versus domestic brands.

**CONCEPTUALIZING CONSUMER XENOCENTRISM**

According to Kent and Burnight (1951, pp. 256–57), “xenocentrism is a psychological attitude which implies a biased view…. One who is ethnocentric sees virtues where none exist; one who is xenocentric sees faults where none exist.” More recently, Eshleman, Cashion, and Basirico (1993, p. 109) defined xenocentrism as “the belief that what is foreign is best, that our own lifestyle, products, or ideas are inferior to those of others.” Evidently, the key attribute of xenocentrism is favoritism toward out-groups coupled with negative stereotypical perceptions of one’s own group (the in-group).

Although xenocentrism was initially conceived as a counterpart to Sumner’s (1906) ethnocentrism construct, the latter’s conceptual underpinnings are more consistent with social identity theory (Tajfel and Turner 1986), which stresses in-group rather than out-group favoritism; as Hinkle and Brown (1990, p. 49) note, “outgroup favoritism per se does not fit with [social identity theory’s] view that group members create and maintain positive social identities by engaging in ingroup favoring processes of intergroup group comparison.” Moreover, social identity theory “does not account for the phenomenon of negative self-stereotyping “(Jost and Banaji 1994, p. 7, original emphasis), which, as we have noted, is also a defining attribute of xenocentrism.

Most of the constructs used to explain domestic versus foreign product preferences—such as national identity, ethnocentrism, and cosmopolitanism—draw heavily on social identity theory (Zeugner-Roth, Žabkar, and Diamantopoulos 2013). Social identity theory suggests that members of low-status groups use social creativity to cope with the lower group status (e.g., by accentuating in their evaluations the attributes on which the in-group is superior and depreciating those on which the out-group is superior). As a result, “members of actual low-status groups, whose group identity is chronically threatened by their relative inferiority to higher status groups, evaluate out-groups most negatively” (Leach et al. 2003, p. 933). According to social identity theory, therefore, people in low-status countries (i.e., developing countries) would be negatively predisposed toward products from higher-status countries (i.e., developed countries). However, empirical evidence cited previously clearly shows that this is not true and that out-group favoritism, as reflected in foreign product preference, is widespread among consumers.

System justification theory aims to explain the phenomena of out-group favoritism and in-group derogation, particularly among members of low-status groups. The theory has been widely used in organizational behavior, human resources management, corporate social responsibility, and business ethics research to explain a variety of organizational attitudes and behaviors such as employee discrimination, layoffs, hiring decisions, organizational inefficiencies, leader legitimacy, and organizational compassion (e.g., DiTomaso 2015; Durrheim, Jacobs, and Dixon 2014; Fujimoto, Härter, and Azmat 2013). In marketing, Li and Agrawal (2014) recently used SJT to explain consumer behaviors such as recycling or use of dental floss, while Shepherd, Chartrand, and Fitzsimons (2015) used SJT to show that consumers with a social justification motive are favorably biased toward brands that reflect power. We also adopt SJT as the conceptual foundation of the C-XEN construct.

System justification refers to “the psychological process by which existing social arrangements are legitimized, even at the expense of personal and group interests” (Jost and Banaji 1994, p. 2). In the current context, such “social arrangements” refer to the relative standing of different countries as systematically recorded, affirmed, and legitimized through official ranking tables. Countries are formally graded and ranked by international organizations (e.g., the United Nations, the International Monetary Fund, the World Bank) and rating agencies (e.g., Moody’s, Standard & Poor’s) according to socioeconomic criteria that are suggestive of the status of a country in the world community. For example, countries are classified as “developed,” “emerging economies,” “newly industrializing,” “developing,” or “least developed” on the basis of their degree of economic development, while other rankings focus on competitiveness, corruption, or innovation. System justification develops as people...
socialize with these institutional control systems and internalize and accept differences between countries “simply because they exist” (Jost and Banaji 1994, p. 11).

According to SJT, “members of groups that are low in social or material standing should exhibit ingroup derogation and outgroup favoritism to the extent that they perceive the overarching social system to fair, legitimate, and justifiable” (Jost and Burgess 2000, pp. 295–96). Thus, instead of trying to elevate the self-esteem of the in-group (i.e., the home country), as social identity theory would predict, SJT postulates that people instead tend to justify and reinforce the existing system by accepting as legitimate their alleged inferiority (Jost and Banaji 1994). Research has suggested that low-status groups “cannot help but internalize society’s unfavorable images of them” (Jost and Burgess 2000, p. 303), and out-group (i.e., foreign-country) favoritism then serves to rationalize and perpetuate the system hierarchy that they have internalized (Jost, Banaji, and Nosek 2004). As Jost, Pelham, and Carvallo (2002, p. 587) observe, “expressing preferences for high status outgroups is one of the ways in which people unknowingly support and maintain existing forms of inequality, even at the expense of personal and group interests and esteem.”2

From this research, it is evident that xenocentric tendencies are consistent with the postulates of SJT as applied to relative status differences between countries; consumers from countries with comparatively low status are more likely to exhibit xenocentric tendencies than consumers from higher-status countries. This is consistent with the aforementioned observation that enduring preferences for foreign products are more frequently (but not exclusively) documented in developing countries and emerging markets.

According to SJT, in low-status groups, there may be conflict between people’s tendency to develop and maintain a favorable self-image (ego justification motive), the desire to develop and maintain favorable images of their own group (group justification motive), and the acceptance of the legitimacy of the social system (system justification) (Jost, Burgess, and Mosso 2001). Accordingly, system justification is linked to higher ambivalence toward the ingroup and lower self-esteem for members of low-status groups (Jost and Burgess 2000). Research has empirically established that low self-esteem increases the desire for goods associated with higher status (Sivanathan and Pettit 2010). Similarly, evidence has suggested that perceived inferiority of low-status groups fosters a strong desire to increase one’s own status (self-aggrandizement) (Mazzocco et al. 2012). This is achieved by seeking products that are associated with or signal higher status. According to self-completion theory, products can be viewed as symbols of completeness or “indicators of one’s standing with respect to a self-defining goal that are potentially recognizable” (Wicklund and Gollwitzer 1981, p. 92). When someone is low in a symbolic dimension, (s)he will try to substitute it with an alternative symbol of completeness.

Applying the basic tenets of SJT to the C-XEN construct, we suggest that for some consumers, internalized differences of the relative standing of their home country versus other countries will result in a derogation of domestic products coupled with a generalized tendency to seek foreign products as signals of perceived higher status. Thus, we formally define C-XEN as a consumer’s internalized belief of the inferiority of domestic products and a corresponding propensity to prefer foreign products for social aggrandizement purposes. We elaborate on C-XEN’s dimensions next.

**Perceived Inferiority**

This dimension of C-XEN reflects the negative self-stereotyping aspect of SJT and is defined as a tendency to denigrate, undervalue, and fail to appreciate domestic products and brands. Several consumer studies have empirically documented this tendency (Agbonifoh and Elimimian 1999; Batra et al. 2000; Zhou and Belk 2004), which may reflect broader feelings of national inferiority as result of underrepresentation of local values and culture accompanied by overrepresented and inflated views of other cultures through propaganda (Kent and Burnight 1951). For example, Said (1979) provides an account on the different ways the West has constructed and propagated the view that non-Western “others” are primitive, backward, and uncivilized (through portrayals in literature and different forms of art and media). Similarly, Bhatia (2002, p. 377) shows how social sciences such as psychology have unintentionally cultivated “images of non-Western ‘Others’ as inferior, primitive individuals and how this legacy of the West defining the ‘Other’ continues to occur today.”

A history of colonization has also left inferiority imprints in many cultures. For example, David and Okazaki (2006) provide evidence that ethnic or cultural inferiority in the Philippines is the result of centuries of colonization and describe this internalized oppression as “colonial mentality.” Indeed, research has shown that a history of continuous denigration of colonized people often leads to...
self-doubt, identity confusion, feelings of inferiority, and eventual acceptance (internalization) of the colonizer’s views of inferiority of the colonized (Fanon 1965). In a consumer context, Agbonifoh and Elimimian (1999, p. 97) explicitly attribute Nigerian consumers’ perception that domestic products are inferior to foreign products (even to products from a developing country such as Ghana) to “denigrating colonial experiences.”

Furthermore, research has suggested that negative attitudes toward one’s own ethnic group and feelings of inferiority may be prevalent and even “normal” in some contexts (e.g., Driedger 1976). For example, a survey revealed that approximately one-quarter of young Chinese people surveyed would rather be white or Japanese, if they were given a choice (Straits Times 2000; see also Zhou and Belk 2004). Batra et al. (2000) also identify perceived inferiority in developing nations as one of the reasons for buying foreign products. These feelings of national inferiority extend through attribution processes to various other domains, including domestic products and local industry. Consumers rationalize and attribute their perceptions that domestic products are inferior to perceived deficiencies of the local industry (e.g., inferior technology, skills, know-how, labor force, organization).

Social Aggrandizement

The second dimension of C-XEN captures the out-group favoritism facet of SJT and is defined as the emphasis placed on the symbolic value of foreign products as way of enhancing perceived social status. Bar-Haim (1987, p. 211) observes that one of the main motivations of Eastern Europeans for buying foreign products was “their value as status symbols: to impress, to distinguish themselves from others or to compensate themselves from some social imbalance.... The fact that these commodities originate outside the country causes them to become symbols of status.” Similarly, referring to China, Zhou and Belk (2004, p. 65) note that “almost anything Western (e.g., Western beauty, Western technology, Western style) is considered ‘shishang’ (fashionable), as it is a symbol associated with people who are recognized as being successful, those claiming to be successful, and those aspiring to success. Consumption of Western things is perceived to separate the ‘successful’ from the ‘unsuccessful.’”

Importantly, it is not only the affluent elites in developing countries who opt for foreign products as a way to enhance their status. Poorer consumers also view foreign products as status symbols and try to overcome the affordability obstacle through other means. For example, Goldberg and Baumgartner (2002) state that such is the symbolic power of Marlboro in Thailand that many Thais repackage domestic cigarettes into empty Marlboro packets. Indeed, the status-signaling function of foreign products is so strong that low-income consumers even resort to various “deceptive” strategies such as the consumption of foreign counterfeits as a way to enhance their status. Thus, many Chinese manufacturers undertake “maoyang,” or the practice of passing off local products as Western, while Pakistani manufacturers prefer to use foreign brand names even for commodity products such as milk and bread. In summary, as Mueller, Broderick, and Kipnis (2009, p. 7) observe, foreign products are often “bought not for quality or functionality but rather, it is their foreign-ness that conveys status.”

As a final point, it is worth differentiating C-XEN from the narcissism construct, which is also related to self-aggrandizement. Narcissism involves “a pervasive pattern of grandiosity (in fantasy and behavior), need for admiration, and lack of empathy, beginning by early adulthood and present in a variety of contexts” (American Psychiatric Association 2013, p. 645). Narcissists have been found to consume products to “cultivate a personal style, to defy established conventions, and to avoid looking like others” (Lee, Gregg, and Park 2013, p. 347) as well as to show preference for customized or personalized products and limited editions. In contrast, xenocentric consumers exhibit preferences for foreign goods as a result of social aggrandizement and an internalized perceived in-group inferiority. Importantly, the latter aspect is not part of the narcissism construct but is very much a component of the C-XEN construct. Furthermore, there is evidence to suggest that narcissists tend to be in favor of their in-groups rather than out-groups, but at the same time, their personal needs and wants take priority over those of the in-group (Bizumic and Duckitt 2008). This is not the case for xenocentric consumers, who openly display out-group favoritism in their consumption choices.

DEVELOPMENT AND VALIDATION OF THE C-XENSCE

We developed the C-XENSCE by theoretically anchoring it on our conceptualization of C-XEN as a second-order construct with two (first-order) dimensions—namely, perceived inferiority and social aggrandizement. A higher-order measurement model specification is warranted in our case because the two dimensions
are manifestations of the same construct (Wong, Law, and Huang 2008) and because “eliminating any of them would restrict the conceptual domain of the construct” (MacKenzie, Podsakoff, and Podsakoff 2011, p. 301). Our higher-order specification is also consistent with recent literature guidelines that “researchers have to conduct analyses at the construct level if the conclusions drawn are about the overall multidimensional construct instead of its dimensions” (Wong, Law, and Huang 2008, p. 746).

To generate measurement items for each dimension, we followed established scale development guidelines (e.g., Netemeyer, Bearden, and Sharma 2003) and subjected the derived C-XENSCALE to rigorous testing of its psychometric properties using several samples. We describe the scale development and validation process in detail next.

**Item Generation and Screening**

Because our literature review failed to reveal any published scales measuring xenocentric tendencies, we generated an initial pool of items from 20 in-depth interviews with consumers. The sample was drawn in Athens, Greece, and was composed of 12 women and 8 men; 7 respondents were under 30 years old, 8 were 30–50 years old, and 5 were over 50; 12 respondents had a university degree. We selected Greece as a study setting for several reasons. First, there are domestic products of similar quality to foreign ones in a variety of product categories; this helps eliminate the (alternative) explanation that xenocentric tendencies are simply a reflection of the unavailability of local products. Second, to eliminate colonial taste conditioning and cultural assimilation explanations of xenocentric behavior (Mueller, Broderick, and Kipnis 2009), we preferred to conduct our study in a noncolonial country. Third, because C-XEN is conceptually similar to SJT, choosing either a highly developed or a highly undeveloped country would have exacerbated status differences in relation to other countries. Greece is a country in the middle of economic development, ranking 29th on the Human Development Index (United Nations Development Programme 2013) and 39th on the Country Brand Index (FutureBrand 2013). Finally, access to locally based, reliable research assistants to help with data collection was a pragmatic consideration in choosing Greece as a research site.

Respondents were asked to describe the characteristics of “xenocentric consumers,” which is a common and familiar term in the local language (the term is made up from the Greek words ξένος and κέντρο, meaning “foreign” and “center,” respectively). A total of 36 items were generated in the interviews, which were subsequently subjected to a two-stage screening process. First, the relevance of each item was assessed using a panel of ten expert raters (university academics specializing in marketing) on a seven-point scale (1 = “very unrepresentative,” and 7 = “very representative”). Raters were first familiarized with the definition of C-XEN and then assessed the reliability of ratings through the two-way random-effects intraclass correlation coefficient (Uebersax 2006); this was found to be very high at .975 for mean ratings and .708 for single-rater ratings. We confirmed absence of rater bias through Hotelling’s t-square test of the differences in the mean rating levels of each rater (F(9, 26) = .420, p = .913). We subsequently excluded from further analysis 13 items with a mean representativeness score of less than 5.

In the second screening stage, ten additional raters were asked to classify the remaining 23 items into the two construct dimensions according to content similarity; raters were also given an “I cannot classify” option. We removed from further analysis ten items that were not clearly assigned to either dimension or were placed in the “I cannot classify” option. We used the kappa coefficient (Landis and Koch 1977) to verify that raters’ agreement on assigning items was not by chance; the obtained values were .801 (SE = .017) for perceived inferiority and .677 (SE = .009) for social aggrandizement, thus providing confidence in the classification of the items to the two construct dimensions.

**Study 1: Scale Purification**

The 13 remaining items were included in a survey questionnaire using a seven-point Likert scale format (1 = “strongly disagree,” and 7 = “strongly agree”) and administered to a random sample of consumers in Athens, Greece. We used a face-to-face solicitation approach (at the home of interviewees) with a self-completion option to increase response rate and data quality (Bethlehem, Cobben, and Schouten 2011). Note, in this context, that Greece has one of the highest rates of cooperation in face-to-face surveys in Europe (Nicoletti and Peracchi 2002).

We used a random sampling of city blocks and streets within each block (based on the city’s A to Z map pages), followed by systematic sampling of houses and apartments (one out of every two) within each chosen street. Confidential interviews took place after work hours and during weekends to reduce survey coverage error and to
increase the representativeness of the sample. After agreeing to participate, one of the (adult) members of household in the position of making purchase decisions was asked to respond to the questionnaire. Of the 750 households contacted, 292 (38.9%) agreed to participate and completed the questionnaire (35% male; average age = 26–30 years old); after adjusting for item non-response and mindless responding, we retained a total of 255 questionnaires for analysis.

Following Netemeyer, Bearden, and Sharma (2003), we used principal axis factor analysis with oblique rotation for initial refinement of the C-XENSCALE. We removed cross-loading items and items with factor loadings lower than .50 during this stage, leaving five items that clearly loaded on the perceived inferiority dimension and another five on the social aggrandizement dimension. Together, the two dimensions accounted for 53.6% of the common variance in the items.

The ten items from the principal axis factor analysis were subsequently subjected to confirmatory factor analysis, whereby the two hypothesized dimensions were specified as first-order factors of the higher-order C-XEN factor. The overall fit of the model was highly satisfactory ($\chi^2 = 58.78$, d.f. = 34; goodness-of-fit index [GFI] = .953; comparative fit index [CFI] = .978; standardized root mean square residual [SRMR] = .046; root mean square error of approximation [RMSEA] = .055), and all items had substantial and significant loadings on their respective dimensions, in supporting convergent validity (Steenkamp and Van Trijp 1991); the paths from the second-order C-XEN factor to the first-order dimensions were also positive and significant. Moreover, both Cronbach’s alpha and construct reliability estimates exceeded .80 for both dimensions (Bagozzi and Yi 1988), while the composite reliability of the overall C-XENSCALE based on Horst’s (1966) formula came to .901. Finally, all average variance extracted (AVE) values were above the recommended threshold of .45 for newly developed scales (Netemeyer, Bearden, and Sharma 2003). Table 1 (Study 1) summarizes the psychometric properties of the C-XENSCALE.

We further tested our conceptually based, second-order specification of the C-XEN construct by comparing it with several alternative measurement models. As Table 2 (Study 1) shows, the second-order model clearly outperformed the competing models across all fit criteria.

The possibility that responses to the C-XENSCALE may be subject to SDR was examined by employing Ray’s (1984) short version of the Crowne–Marlowe (1960) scale. The correlation between the SDR measure and the C-XENSCALE was low ($r = -.161, p = .012$) and the corresponding correlation coefficients for the perceived inferiority and social aggrandizement dimension were $-.128 (p = .046)$ and $-.145 (p = .024)$. Though statistically significant, these correlations correspond to small effect sizes and point to negligible amounts of shared variance (less than 3%). Thus, SDR does not seem to materially affect the C-XENSCALE.

### Study 2: Scale Replicability, Invariance, and Discriminant Validity

Our second study aims to examine the robustness of the derived C-XENSCALE on an independent sample and, more importantly, assess its discriminant validity against conceptually related constructs. We collected data using the same procedure as for Study 1 but in a different metropolitan area of Greece (Kalamata). Of the 700 households contacted, 273 agreed to participate (39%). Of those, 265 (37.8%) supplied a usable questionnaire (35% male; average age = 31–35 years old).

A confirmatory factor analysis on the replicated C-XENSCALE showed satisfactory model fit ($\chi^2 = 83.14$, d.f. = 34; GFI = .945; CFI = .965; SRMR = .043; RMSEA = .074) and all reliability and AVE values exceeded recommended thresholds (see Table 1, Study 2); composite reliability came to .910. As was the case with Study 1, comparison of our second-order specification with alternative measurement models confirmed the superiority of the former in terms of model fit (see Table 2, Study 2).

As a stricter test of the C-XENSCALE’s replicability, we also applied Steenkamp and Baumgartner’s (1998) procedure to assess the extent to which our hypothesized measurement model was invariant across Studies 1 and 2. We first tested for configural invariance (i.e., conducted a multigroup analysis on the second-order factor specification without placing any constraints on the parameters across the two samples) and found support for it ($\chi^2 = 141.9$, d.f. = 68; CFI = .971; SRMR = .043; RMSEA = .046). Next, we estimated a constrained model whereby all factor loadings (both between indicators and first-order factors and between first-order factors and the second-order factor) were assumed to be equal in both samples ($\chi^2 = 156.8$, d.f. = 77; CFI = .968; SRMR = .059; RMSEA = .045). We tested and found support for our hypothesis of full metric invariance by using the chi-square difference test to compare constrained and unconstrained models ($\Delta \chi^2(9) = 14.93 p = .093$).
Having established the robustness of the C-XENSCALE, we then proceeded to test its discriminant validity (see H1 and H2 in Table 3) by linking it to established measures of consumer ethnocentrism (namely, Shimp and Sharma’s [1987] consumer ethnocentrism tendencies scale [CETSCALE; \(a = .90\)]) and xenophilia (using Perlmutter’s [1954] scale [\(a = .80\)]). Given that consumer ethnocentrism captures “normatively-based beliefs that buying domestic products is somehow good for the country, whereas purchasing non-domestic products is deleterious to the economy, the country and fellow citizens” (Shimp 1984, p. 285) and given that, in their original exposition of xenocentrism, Kent and Burnight (1951, p. 256) explicitly view it as a “counterpart” to the ethnocentrism construct, we expected a negative relationship between the C-XENSCALE and the CETSCALE. However, we did not expect a strong association because, as we have previously noted, C-XEN is not simply the polar opposite of consumer ethnocentrism; the latter is conceptually built on social identity theory, whereas C-XEN is based on SJT. Moreover, ethnocentric bias is driven by different factors than C-XEN—namely, patriotism, moral duty to the country, and need to protect the country and its economy from the threat of foreign product invasion (Shimp and Sharma 1987). Differentiation of the two constructs is further supported by the fact that it is possible for them

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**Table 1. Psychometric Properties of the C-XENSCALE**

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<tr>
<th>Perceived Inferiority</th>
<th>Social Aggrandizement</th>
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<tr>
<td></td>
<td>Study 1</td>
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<td><strong>Second-order loadings</strong></td>
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<td></td>
<td>.753</td>
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<td><strong>Perceived Inferiority</strong></td>
<td></td>
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<tr>
<td>There are very few domestic products that are of equal quality to foreign products.</td>
<td>.650(^a)</td>
</tr>
<tr>
<td>I cannot think of any domestic brands that are as good as the foreign ones I purchase.</td>
<td>.680</td>
</tr>
<tr>
<td>I trust more foreign than domestic companies, because they are more experienced and have more resources.</td>
<td>.703</td>
</tr>
<tr>
<td>In most product categories, foreign brands outperform domestic ones.</td>
<td>.728</td>
</tr>
<tr>
<td>I trust foreign products more than the domestic ones.</td>
<td>.719</td>
</tr>
<tr>
<td><strong>Social Aggrandizement</strong></td>
<td></td>
</tr>
<tr>
<td>Using foreign products enhances my self-esteem.</td>
<td></td>
</tr>
<tr>
<td>People that buy domestic products are less regarded by others.</td>
<td></td>
</tr>
<tr>
<td>I prefer foreign to domestic brands as most of my acquaintances buy foreign brands.</td>
<td></td>
</tr>
<tr>
<td>Buying foreign products makes me trendier.</td>
<td></td>
</tr>
<tr>
<td>I purchase foreign brands to differentiate myself from others.</td>
<td></td>
</tr>
<tr>
<td>(M)^(^b)</td>
<td>.697</td>
</tr>
<tr>
<td>Construct reliability</td>
<td>.826</td>
</tr>
<tr>
<td>Cronbach’s alpha</td>
<td>.826</td>
</tr>
<tr>
<td>AVE</td>
<td>.485</td>
</tr>
</tbody>
</table>

\(^a\)Parameter fixed so as to identify the model.

\(^b\)Average loadings in column.

Notes: Study 1 fit: \(\chi^2(34) = 58.78; \text{GFI} = .953; \text{CFI} = .978; \text{SRMR} = .046; \text{RMSEA} = .055\). Study 2 fit: \(\chi^2(34) = 83.14; \text{GFI} = .945; \text{CFI} = .965; \text{SRMR} = .043; \text{RMSEA} = .074\).
to coexist. For example, Klein, Ettenson, and Krishnan (2001) found that ethnocentrism is possible even in countries where preference for foreign products is high. Consistent with these observations, the attenuated correlation coefficient between the C-XENSCALE and the CETSCALE came to $-0.368 \ (p < .001)$, indicating only a moderate negative relationship between the two constructs.

Regarding xenophilia, this construct reflects “love of strangers and foreigners ... [and] an implicit or explicit disrespect for or a hatred of one’s own sociological reference group” (Perlmutter 1954, p. 293), and, like C-XEN, it is characterized by out-group favoritism. However, unlike C-XEN, xenophilia is not a domain-specific construct (i.e., it does not specifically focus on consumer behavior). Furthermore, by definition, xenophilia implies an active rejection of one’s in-group, whereas C-XEN is manifested in perceptions of inferiority rather than outright rejection. These conceptual differences led us to expect a positive but moderate correlation between the C-XENSCALE and the xenophilia measure, which turned out to be the case ($r = .472, p < .001$).

### Study 3: Known-Group Validity

Because there is no clearly identifiable group that could a priori be expected to score high (low) on the C-XENSCALE, we adopted the following approach to assess known-group validity. In a final-year undergraduate class, three raters (students) were asked to identify which of their classmates ($N = 41$) were xenocentric (on a dichotomous rating scale, 1 = xenocentric, and 0 = non-xenocentric). The raters knew all the subjects for a period of at least three years and were, therefore, in a position to make informed evaluations. To assist in this task, the formal definition of C-XEN and relevant examples were provided to the raters. The evaluation process was performed in confidence, and the rated subjects were not aware that they were being assessed. Overall interrater agreement was 77.24%, and interrater reliability was acceptable ($\kappa = .724$). More importantly, all three raters agreed that 18 of the assessed subjects were xenocentric. The identified xenocentrics were subsequently asked to complete the C-XENSCALE, and their scores ($M = 4.133, SD = .828$) were compared with those obtained in Study 1 ($M = 2.977, SD = 1.025$) and Study 2 ($M = 2.616, SD = 1.097$). An independent samples t-test showed that the identified xenocentrics indeed scored significantly higher on the C-XENSCALE than the ordinary consumers in both Study 1 ($t = 5.610, p < .001$) and Study 2 ($t = 7.339, p < .001$).

### Study 4: Test-Retest Reliability

We evaluated test-retest reliability of the C-XENSCALE in a sample of 30 students (14 female and 16 male) by administering the scale in two waves, four weeks apart. The test-retest correlation coefficient was very high both for the C-XENSCALE overall ($r = .930, p < .001$) and for its individual dimensions (perceived inferiority: $r = .900, p < .001$; social aggrandizement: $r = .822, p < .001$). Thus, we ensured the temporal stability of the scale.

### Nomological Validity

To identify the nexus of relationships in the nomological network of C-XEN, we drew on findings from SJT as well as closely related research. From this literature, we identified six key constructs with which C-XEN could theoretically be expected to be related and used data from Study 2 to test the relevant relationships (see H3–H8 in Table 3).4

#### Collective Self-Esteem

Collective self-esteem refers to “that aspect of the individual’s self-concept which derives

### Table 2. Comparison of Alternative Measurement Models of the C-XENSCALE

<table>
<thead>
<tr>
<th>Study</th>
<th>Chi-Square</th>
<th>d.f.</th>
<th>TLI</th>
<th>CFI</th>
<th>SRMR</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Null model</td>
<td>1,169.910</td>
<td>45</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. One-factor model</td>
<td>321.376</td>
<td>35</td>
<td>.673</td>
<td>.745</td>
<td>.142</td>
<td>.183</td>
</tr>
<tr>
<td>3. Two-factor orthogonal model</td>
<td>105.855</td>
<td>35</td>
<td>.919</td>
<td>.937</td>
<td>.191</td>
<td>.091</td>
</tr>
<tr>
<td>4. Second-order model</td>
<td>58.780</td>
<td>34</td>
<td>.971</td>
<td>.978</td>
<td>.046</td>
<td>.055</td>
</tr>
<tr>
<td>Study 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Null model</td>
<td>1,434.500</td>
<td>45</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. One-factor model</td>
<td>239.528</td>
<td>35</td>
<td>.811</td>
<td>.853</td>
<td>.082</td>
<td>.149</td>
</tr>
<tr>
<td>3. Two-factor orthogonal model</td>
<td>211.322</td>
<td>35</td>
<td>.837</td>
<td>.873</td>
<td>.283</td>
<td>.138</td>
</tr>
<tr>
<td>4. Second-order model</td>
<td>83.141</td>
<td>34</td>
<td>.953</td>
<td>.965</td>
<td>.043</td>
<td>.074</td>
</tr>
</tbody>
</table>

Notes: TLI = Tucker–Lewis index.
from their knowledge of their membership in a social group together with the value and emotional significance attached to that membership” (Tajfel 1981, p. 255). Meta-analytical evidence by Mullen, Brown, and Smith (1992) on in-group/out-group bias shows that the perceived salience, status, and relevance of the in-group influences attitudes toward outgroups; if a person’s in-group compares unfavorably with other groups, then the collective self-esteem will be low. Consumer xenocentrism postulates perceived inferiority of local products and preference for products from other (foreign) countries. Therefore, we expect that collective self-esteem will be negatively related to scores on the C-XENSACLE. We measured self-esteem on Luhtanen and Crocker’s (1992) scale, which covers four aspects of collective self-esteem: membership esteem (how worthy the individual is as a member of the group), private collective self-esteem (self-assessment of how good one’s group is), public collective self-esteem (one’s perception how others evaluate his or her group), and importance to identity (the importance a person attaches to group membership for the construction of his or her self-concept).

**Self-Confidence.** Self-confidence refers to “the extent to which an individual feels capable and assured with respect to his or her marketplace decisions and behaviors” (Bearden, Hardesty, and Rose 2001, p. 122). Research has shown that people who try to increase their self-image through a referent group or those who display out-group favoritism are less confident (Abrams 1992). Moreover, low-status groups develop tendencies of self-hate or self-deprecation (Tajfel 1982). Such tendencies tend to be accompanied by internal conflicts that are resolved by an external locus of control, the latter being a key pillar of the consumer self-confidence construct (Bearden, Hardesty, and Rose 2001). We therefore expect that consumer self-confidence will be negatively related to the C-XENSACLE. To measure self-esteem, we used Bearden, Hardesty, and Rose’s (2001) scale.

**Materialism.** The materialism construct reflects “a set of centrally held beliefs about the importance of possessions in one’s life (Richins and Dawson 1992, p. 308) and is accompanied by an avid desire for nonutilitarian (e.g., status-seeking, novelty) goods. The increased importance attached to possessions originates from their ability to

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Type of Validity Tested</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Consumer xenocentrism is negatively related to consumer ethnocentrism.</td>
<td>Discriminant validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H2: Consumer xenocentrism is positively related to consumer xenophilia.</td>
<td>Discriminant validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H3: Consumer xenocentrism is negatively related to collective self-esteem.</td>
<td>Nomological validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H4: Consumer xenocentrism is negatively related to self-confidence.</td>
<td>Nomological validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H5: Consumer xenocentrism is positively related to materialism.</td>
<td>Nomological validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H6: Consumer xenocentrism is positively related to vanity.</td>
<td>Nomological validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H7: Consumer xenocentrism is positively associated to susceptibility to interpersonal influence.</td>
<td>Nomological validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H8: Consumer xenocentrism is positively related to social dominance orientation.</td>
<td>Nomological validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H9: Consumer xenocentrism is positively related to Greek consumers’ country image perceptions of (a) Germany and (b) the United States.</td>
<td>Nomological validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H10: Consumer xenocentrism is negatively related to country image perceptions of Greece.</td>
<td>Nomological validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H11: Consumer xenocentrism is negatively related to Greek consumers’ willingness to buy Greek products.</td>
<td>Predictive validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H12: Consumer xenocentrism is positively related Greek consumers’ intentions to buy products from (a) Germany and (b) the United States.</td>
<td>Predictive validity</td>
<td>Supported</td>
</tr>
<tr>
<td>H13: Consumer xenocentrism is positively related to preferences for foreign (vs. domestic) brands.</td>
<td>Predictive validity</td>
<td>Supported</td>
</tr>
</tbody>
</table>

**Table 3. Validation Hypotheses for the C-XENSACLE**
confer status and “to project a desired self-image and identify one as a participant in an imagined perfect life” (Richins and Dawson 1992, p. 305). Zhou and Belk (2004) further show that preferences for foreign products are related to increased materialism. We thus postulate that materialism will be positively related to the C-XENSCALE. We measured materialism on Richins and Dawson’s (1992) well-established scale.

Vanity. Vanity is defined as “an excessive concern for, and/or a positive (and perhaps inflated) view of, one’s physical appearance as well as one’s personal achievements” (Netemeyer, Burton, and Lichtenstein 1995, p. 612). People demonstrate and justify not only their physical appearance but also their drive for achievements through conspicuous consumption. Because social aggrandizement is a key dimension of the C-XEN construct, we expect a positive relationship between the C-XENSCALE and consumer vanity. We used Netemeyer, Burton, and Lichtenstein’s (1995) measure to operationalize this construct.

Susceptibility to Interpersonal Influence. Susceptibility to interpersonal influence refers to “the need to identify or enhance one’s image with significant others through the acquisition and use of products and brands, the willingness to conform to the expectations of others regarding purchase decisions, and/or the tendency to learn about products and services by observing others and/or seeking information from others” (Bearden, Netemeyer, and Teel 1989, p. 474). Consumers scoring high on susceptibility to interpersonal influence tend to conform to others’ expectations and are driven by the desire to augment their self-image by association to a reference group. Given that, by definition, C-XEN is partly motivated by social aggrandizement, we expect the C-XENSCALE to be positively correlated to susceptibility to interpersonal influence. We measured the latter on Bearden, Netemeyer, and Teel’s (1989) two-dimensional scale capturing normative and informative interpersonal influences, respectively.

Social Dominance Orientation. Social dominance orientation captures a “general attitudinal orientation toward intergroup relations, reflecting whether one generally prefers such relations to be equal, versus hierarchical, that is ordered along a superior-inferior dimension” (Pratto et al. 1994, p. 742). Whereas for members of high-status groups, an opposition to equality is a reflection of group self-interest, “among members of low status groups, an opposition to inequality may be viewed as a sign of internalized inferiority” (Jost and Thompson 2000, pp. 211–12). Given that perceived inferiority is a defining characteristic of C-XEN, we therefore expect that the C-XENSCALE will be positively related to social dominance orientation. We used Sidanius and Pratto’s (2001) scale (known as “SDO-5”) to measure social dominance orientation.

Results reported in Table 4 provide support for all hypothesized relationships. The correlation coefficients (attenuated for reliability) between the C-XENSCALE and all dimensions of collective self-esteem are negative and significant, and the same pattern applies to the link between the C-XENSCALE and the two dimensions of

<table>
<thead>
<tr>
<th>Table 4. Nomological Validation of the C-XENSCALE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct</td>
</tr>
<tr>
<td>------------------------</td>
</tr>
<tr>
<td>Collective Self-Esteem</td>
</tr>
<tr>
<td>Membership</td>
</tr>
<tr>
<td>Private assessment</td>
</tr>
<tr>
<td>Public assessment</td>
</tr>
<tr>
<td>Importance</td>
</tr>
<tr>
<td>Self-Confidence</td>
</tr>
<tr>
<td>Information acquisition</td>
</tr>
<tr>
<td>Personal outcomes</td>
</tr>
<tr>
<td>Consideration set formation</td>
</tr>
<tr>
<td>Materialism</td>
</tr>
<tr>
<td>Success</td>
</tr>
<tr>
<td>Centrality</td>
</tr>
<tr>
<td>Happiness</td>
</tr>
<tr>
<td>Vanity</td>
</tr>
<tr>
<td>Physical concern</td>
</tr>
<tr>
<td>Physical view</td>
</tr>
<tr>
<td>Achievement concern</td>
</tr>
<tr>
<td>Achievement view</td>
</tr>
<tr>
<td>Susceptibility to Interpersonal Influence</td>
</tr>
<tr>
<td>Normative</td>
</tr>
<tr>
<td>Informative</td>
</tr>
<tr>
<td>Social Dominance Orientation</td>
</tr>
</tbody>
</table>

* p < .05.
** p < .01.
self-confidence (self-confidence for information acquisition and personal outcomes, respectively). Also consistent with our expectations, the C-XENSCALE correlates positively and significantly with all three dimensions of materialism; all four vanity dimensions; both dimensions of susceptibility to interpersonal influence; and, finally, social dominance orientation. These results provide strong evidence for the nomological validity of the C-XENSCALE and sketch a profile of the “typical” xenocentric consumer as being more materialistic, more vain, and more susceptible to the influence of others and having higher social dominance orientation as well as lower collective self-esteem and self-confidence than a nonxenocentric consumer.

As a further test of nomological validity explicitly aimed at testing the system justification roots of the C-XENSCALE, we linked the latter to consumers’ perceptions of the images of different countries (see H9−H10 in Table 3). Specifically, we first asked respondents to indicate (on a scale ranging from −3 to +3) whether the following four countries were “superior” (+), “inferior” (−), or “equal” (0) to the home country (i.e., Greece) in the manufacturing of consumer goods: Germany, the United States, Portugal, and China. A series of one-sample t-tests against the parity point (i.e., zero) revealed that Germany and the United States were perceived as superior to the home country, whereas Portugal and China were perceived as inferior (all t-tests significant at p < .01 or better). We then asked respondents to evaluate the country images of the four countries as well as that of the home country using Roth and Romeo’s (1992) well-established scale. Finally, we correlated the resulting country image scores with respondents’ scores on the C-XENSCALE. Consistent with the premises of SJT, we hypothesized that xenocentric consumers would (1) evaluate the images of the “superior” countries (i.e., Germany and the United States) more favorably than nonxenocentric consumers and (2) devalue the image of their home country. In other words, we expected a positive relationship between the C-XENSCALE and the country image scores of Germany and the United States and a negative relationship with the country image score of Greece. As the results in Table 5 show, this was indeed the case, providing further nomological validity support for the C-XENSCALE.

**Study 5: Predictive Validity**

To investigate the predictive validity of the C-XENSCALE on consumers’ willingness to buy domestic and foreign products, in Study 5 we used the same procedure as in

### Table 5. Link of C-XENSCALE with Country Image Perceptions

<table>
<thead>
<tr>
<th>Country</th>
<th>Mean Score (SD)</th>
<th>Country Image Correlation with C-XENSCALE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>2.14</td>
<td>.35**</td>
</tr>
<tr>
<td>United States</td>
<td>2.09</td>
<td>.30**</td>
</tr>
<tr>
<td>Greece (home country)b</td>
<td>N.A.</td>
<td>−.29**</td>
</tr>
<tr>
<td>Portugal</td>
<td>−.40</td>
<td>−.10</td>
</tr>
<tr>
<td>China</td>
<td>−.81</td>
<td>−.01</td>
</tr>
</tbody>
</table>

**Notes:** N.A. = not applicable.

**p < .01.**

**On a scale ranging from −3 to +3.**

**Fixed parity point.**

Studies 1 and 2 and drew a new sample of 209 consumers (41.8% response rate) from a different metropolitan area in Greece (Herakleion; 35% male; average age = 26–30 years old).

The fit of the measurement model for the C-XENSCALE was satisfactory ($\chi^2 = 63.13$, d.f. = 34; GFI = .942; CFI = .967; SRMR = .046; RMSEA = .064), as were the reliability statistics for perceived inferiority (construct reliability = .843, Cronbach’s alpha = .838, AVE = .520) and the social aggrandizement dimensions (construct reliability = .844, Cronbach’s alpha = .839, AVE = .522). The composite reliability of the overall C-XENSCALE came to .899.

We first linked the C-XENSCALE to respondents’ willingness to buy domestic products (1 = “very unlikely,” and 6 = “very likely”) across 12 diverse product categories (see H11 in Table 3). The criterion for choosing the categories was that both domestic and foreign product offerings had to be available in the Greek market. We expected that, irrespective of the product category, xenocentric consumers would be less willing to buy domestic products. These expectations were supported because, as Table 6 shows, the correlation coefficients between the C-XENSCALE and willingness to buy are all negative and significant, ranging from $r = −.17$ ($p < .05$) for wine to $r = −.45$ ($p < .001$) for toys.

We next linked the C-XENSCALE to purchase intentions for products originating in Germany and the United States, which were countries that had been rated as being
Table 6. Link of C-XENSCALE with Willingness to Buy Domestic Products

<table>
<thead>
<tr>
<th>Willingness to buy domestic</th>
<th>Attenuated Correlation with C-XENS</th>
<th>Correlation with C-XENS</th>
</tr>
</thead>
<tbody>
<tr>
<td>appliances</td>
<td>-.23**</td>
<td></td>
</tr>
<tr>
<td>wines</td>
<td>-.17**</td>
<td></td>
</tr>
<tr>
<td>beer</td>
<td>-.27**</td>
<td></td>
</tr>
<tr>
<td>leather items</td>
<td>-.34**</td>
<td></td>
</tr>
<tr>
<td>jewelry</td>
<td>-.30**</td>
<td></td>
</tr>
<tr>
<td>toiletries</td>
<td>-.24**</td>
<td></td>
</tr>
<tr>
<td>watches</td>
<td>-.29**</td>
<td></td>
</tr>
<tr>
<td>furniture</td>
<td>-.31**</td>
<td></td>
</tr>
<tr>
<td>electronic appliances</td>
<td>-.33**</td>
<td></td>
</tr>
<tr>
<td>clothing</td>
<td>-.41**</td>
<td></td>
</tr>
<tr>
<td>shoes</td>
<td>-.42**</td>
<td></td>
</tr>
<tr>
<td>toys</td>
<td>-.45**</td>
<td></td>
</tr>
</tbody>
</table>

**p < .01.

“superior” to the home country in Study 2 (see H12 in Table 3). We thus expected that xenocentric consumers would be more inclined to purchase products from these countries than nonxenocentric consumers. The significant positive correlations between scores on the C-XENS and purchase intentions for products from Germany (r = .29, p < .01) and the United States (r = .24, p < .01) support these expectations. Note that these relationships hold even after controlling for country image evaluations (by means of partial correlation analysis). This serves to further highlight the proclivity of xenocentric consumers to buy foreign products regardless of any country image influences.

Finally, we linked the C-XENS to consumer preferences for foreign brands (see H12 in Table 3). Respondents were asked to indicate their preference from a pair of brands (one domestic and one foreign); their choices were recorded as 0 = “domestic brand preferred,” and 1 = “foreign brand preferred.” We selected 25 such brand pairs with the help of a panel of eight expert raters; the brands covered diverse product categories in which Greek brands compete with foreign offerings. To disguise the purpose of the analysis, another ten “filler” pairs involving “domestic versus domestic” and “foreign versus foreign” brand comparisons were also included. Subsequently, we computed the sum of the 25 pairwise choices and used this as an indicator of respondents’ overall preferences for foreign brands. As we expected, we observed a statistically significant positive relationship (r = .39, p < .001) between foreign brand preferences and the C-XENS, thus providing additional evidence of the latter’s predictive validity.

**DISCUSSION AND CONCLUSIONS**

**Theoretical Implications**

Although it has long been pointed out that “mere foreignness” may be a reason for preferences (Agbonifoh and Elimimian 1999, p. 111), this phenomenon has been neglected in international marketing literature in that “there has been little attention given to consumers who have outgroup orientations (foreign preferences) and ingroup derogation” (Mueller, Broderick, and Kipnis 2009, p. 2). In this article, we address this gap by advancing the conceptualization of the C-XEN construct and by developing a measure (the C-XENS) to operationalize it in empirical endeavors.

Drawing from SJT, we conceptually specify C-XEN as a higher-order construct comprising two dimensions (perceived inferiority and social aggrandizement); using the C-XENS, we provide strong evidence of its nomological and predictive validity. In doing so, we demonstrate—from both a theoretical and an empirical perspective—that C-XEN is not merely the polar opposite of the well-established consumer ethnocentrism construct (Shimp and Sharma 1987). This is important because prior research has often placed the two constructs on the same continuum. For example, Jaffe and Nebenzahl (2006, p. 99) argue that “consumers may be segmented by two distinct constructs: their degree of ethnocentrism—othercentrism ... and their degree of animosity—affinity.... Each of these constructs may be considered as a continuous scale” (emphasis added). Our findings do not endorse such a view both because the theoretical underpinnings of consumer ethnocentrism (i.e., social identity theory) are different from (and incompatible with) the theoretical underpinnings of C-XEN (i.e., SJT) and because the shared variance between the two constructs (as captured by the squared correlation between the CETSCALE and the C-XENS) is very low (13.5%). Thus, to provide a more informed view of consumer dispositions toward domestic and/or foreign
products or brands, both constructs should be used as predictors in comprehensive models of consumer behavior.

In a recent review of positive consumer dispositions toward foreign countries and globality, Bartsch, Riefler, and Diamantopoulos (2016, p. 92) identify (consumer) xenocentrism as one of the constructs that “are not grounded in any theory, which makes the specification of their conceptual nature difficult.” The present research overcomes this problem by introducing a heretofore unused theoretical perspective in international marketing literature to provide a strong theoretical foundation to the C-XEN construct. In this context, SJT may also offer a promising conceptual lens for studying other consumer dispositions identified by Bartsch, Riefler, and Diamantopoulos that are currently insufficiently grounded in theory.

Our theoretically anchored C-XENSCALE offers a valid, reliable, and parsimonious measurement instrument for capturing consumers’ xenocentric tendencies with empirical efforts. In addition to its potential application in tracking studies that aim to investigate variation in xenocentric tendencies over time, the C-XENSCALE can be applied to identify regional variations as well as study relationships with key consumer profiling variables such as materialism, vanity, and susceptibility to interpersonal influence. Furthermore, the C-XENSCALE can be used as a segmentation variable either on its own or in conjunction with other scales capturing consumer dispositions—such as the CETSCALE (Shimp and Sharma 1987) and/or the C-COSMO scale (Riefler, Diamantopoulos, and Siguaw 2012)—to derive distinct consumer segments for market targeting and brand communication purposes.

Managerial Implications

Since Shimp and Sharma’s (1987) seminal article, a substantial body of research has shown that consumer ethnocentrism can erect an invisible barrier of entry that protects domestic companies from international competition. In such cases, local firms may find it advantageous to emphasize the “domesticity” of their brands and adopt “buy national” campaigns to appeal to consumers’ ethnocentric instincts and emphasize the consequences to the national economy. However, such an approach may ultimately prove counterproductive if there are sizable xenocentric segments within the overall market. Xenocentric consumers may be the most difficult to convince to buy domestic brands; thus, local firms should address the needs of this segment and adjust their communication and positioning strategies accordingly. For example, campaigns could address the self-aggrandizement needs of xenocentric consumers and their perceived inferiority of local products by highlighting the quality/authenticity and status-enhancing attributes of domestic products whenever feasible. Moreover, because xenocentric consumers are more prone to normative influences and suffer from low collective esteem and self-confidence, such campaigns may, in the long run, try to shape social norms more toward local products as well as boost the self-esteem and confidence of the xenocentric consumer segment.

An alternative approach for local firms operating in markets with sizable xenocentric segments is the adoption of a “chameleon” strategy (Anestis et al. 2008) that makes the brand look foreign through product design, labeling, advertising, and/or merchandising so as to encourage associations of “foreignness.” For example, many Chinese retailers adopt foreign brand names without a reference to a specific country of origin (COO) to appeal to xenocentric consumers; thus, the New World Department Store in Chengdu (Western China) carries fashion wear with (unknown) “Western” brand names such as I’m David, Scofield, Mind Bridge, and Gather Jewels (Davies 2013).

Although foreign branding is a common technique used by local companies to leverage positive COO associations (e.g., Leclerc, Schmitt, and Dubé 1994), it may also serve the purpose of wooing xenocentric consumers. To illustrate, while the U.K. restaurant brand Pret a Manger and the Australian sauce brand Delmio try to leverage positive country associations from France and Italy, respectively—two countries that are renowned for their cuisine—the same is not true for the U.S. ice cream brand Häagen-Dazs, as Scandinavian countries are not reputed for their ice cream. This also applies to high-status items such as fashion brands. Digital Luxury Group’s list of the 30 most-searched-for American fashion brands contains brands that have kept the designers’ foreign names (e.g., Carolina Herrera), while others have adopted foreign names (e.g., Marchesa, Rodarte, Proenza Schouler). Thus, foreign branding can give an aura of foreignness to the product without being directly linked to specific COO advantages.

For foreign companies, xenocentric consumers may be a potentially profitable—and potentially ignored—market niche, the targeting of which may make it easier to get a foothold even in highly ethnocentric markets. An example
is the niche carved by foreign beer brands in the United States. Foreign beer brands from countries that are not distinguished for their brewing flair have managed to establish themselves in the U.S. market by emphasizing their foreignness. Such brands include Foster’s (Australia), Kirin (Japan), Modelo (Mexico), and Red Stripe (Jamaica). Although most of them are manufactured locally, they market themselves with slogans such as “the taste of Jamaica” (Red Stripe) or “Australian for beer” (Foster’s). While there is no lack of excellent American beers, these brands fervently try to avoid any association with the United States, thus apparently addressing people’s xenocentric tendencies. Note also that, in some countries, xenocentric consumers may be (much) more than a market niche. According to Jana Marketplace (2013), 43.6% of Indian consumers indicated that they prefer foreign to local brands, and the corresponding percentages were 37.2% in Indonesia, 34.5% in the Philippines, and 29.9% in Vietnam. Although such preferences may partly reflect inherent weaknesses of local industry, xenocentrism is also likely to be a major contributing factor.

Because social aggrandizement is one of the C-XEN dimensions, product categories perceived to have high social aggrandizement potential would seem particularly suitable for capitalizing on xenocentric tendencies. Indeed, consumer surveys indicate that foreign brand preferences are higher for watches, cars, perfumes, and clothing and apparel (Davies 2013; Jana Marketplace 2013). Thus, marketers of foreign brands should assess the social aggrandizement potential of their products in a given society and use it as a selling point to xenocentric consumers. Even for food products—for which the domestic culture plays an important role—there may be a small, hard-core xenocentric segment as observed, for example, by Anestis et al. (2008) in China.

Our study showed that xenocentrics are more susceptible to normative influences, more materialistic, and more vain; display higher social dominance orientation; and have lower levels of collective self-esteem and self-confidence. Thus, advertisers of foreign brands that want to appeal to xenocentric segments could develop appropriate themes to incorporate such correlates of C-XEN into their brand communications.

On the more “sinister” side, xenocentric consumers may also be targets for counterfeit products because a key reason for buying such products is to improve one’s self-image while reducing costs. However, evidence cited by Gino, Norton, and Ariely (2010) shows that counterfeit items may backfire because they may harm self-image through both their inauthenticity and the judgement they evoke from others. In general, research has found that prevailing social norms against counterfeits, risks associated with the counterfeit product (e.g., health risk, low performance risk, lack of guarantees), and consumers’ integrity deter the purchase of counterfeit products (Hamelin, Nwankwo, and El Hadouchi 2013). The extent to which xenocentric consumers will resort to counterfeits will thus ultimately depend on the extent to which the perceived benefits outweigh these factors.

Finally, for international retailers, regional variations in consumer xenocentrism may be useful for identifying the appropriate location of their outlets. Areas that score high in consumer xenocentrism may be more appealing locations for international retailers and less appealing to domestic retailing chains. The C-XENSCALE can be readily applied in market research studies to measure such regional variations. The importance of choosing the right location and branding strategy is highlighted by Lin and He (2015) in China, where preferences for foreign products are strong. Many foreign retail chains fail to exploit foreignness to their advantage by not leveraging their foreign corporate brands; by not providing sufficient cues to be identified as foreign; by using local adaptation strategies; and by failing to cope with domestic retailers that, as noted previously, adopt foreign branding strategies.

**LIMITATIONS AND FURTHER RESEARCH**

Although the present investigation has aimed to articulate the theoretical underpinnings of the C-XEN construct and develop a valid and reliable instrument for its measurement, several important issues need to be addressed in further research. First, replications of the current study in other countries are necessary to test the cross-national stability of the C-XENSCALE. In particular, research examining the C-XEN construct in highly advanced economies (e.g., the United States, Switzerland, Japan) would provide additional insights on the prevalence and impact of xenocentric tendencies in high-status countries.

Second, to better understand xenocentric consumers, attention should be drawn to the antecedents of C-XEN as well as to additional correlates not investigated in the present study. Regarding the former, the literature has proposed several drivers of xenocentrism (e.g., frustration, social isolation, reaction to extreme ethnocentrism; see Kent and Burnigh 1951; Mueller, Broderick, and
Kipnis 2009), however, none of these drivers have been empirically investigated. As far as further correlates of C-XEN are concerned, variables such as consumer innovativeness, variety seeking, and buying impulsiveness may help create a more comprehensive profile of xenocentric consumers, thus supplementing the insights we offer in the current study.

Third, the present study has demonstrated the predictive validity of the C-XENSSCALE by linking it to consumers’ willingness to buy domestic and foreign products and brands. Further research could focus on the impact of C-XEN on other important outcome variables such as product judgments, risk perceptions, and willingness to pay.

At a more macro level, the sociopolitical and economic conditions that favor or inhibit the emergence of consumer xenocentric segments are also open to investigation, as is their temporal and spatial variation. Research in SJT and its motivations may provide some guidance in this respect. According to Jost (2011), the effects of C-XEN are likely to be higher where social norms related to the promotion of in-group interests are weaker. Additional individual characteristics such as feelings of psychological dependence on hierarchical systems, heightened need to reduce uncertainty threat, and chronic tendencies to engage in self-deception may also influence the promotion of xenocentric tendencies. Investigation of these issues in further research will contribute toward a better conceptual understanding of the phenomenon of xenocentrism as manifested in a consumer context.

NOTES

1. Note that this proclivity is also not captured by the constructs regarding attitudes toward global and local products (AGP and ALP, respectively) proposed by Steenkamp and De Jong (2010). The focus of AGP/ALP is on global and local products rather than products of foreign or domestic origin. According to Steenkamp and De Jong (2010, p. 19) local products are defined as products “tailored for local markets and are marketed and distributed only in the consumer’s home country,” whereas “global products are tailored for global markets and marketed and distributed in many countries around the world.” Accordingly, the distinguishing factor is the (unspecified) number of countries that the products are marketed and distributed rather the origin of the product. Furthermore, the theoretical basis for AGP/ALP is consumer culture theory rather than system justification theory, which underpins the consumer xenocentrism construct we discuss herein.

2. This also helps explain why “the powerful are stereotyped, even by the powerless, in such a way that their success is explained or justified; meanwhile the powerless are stereotyped (and self-stereotyped) in such a way that their plight is well-deserved and similarly justified” (Jost and Banaji 1994, p. 13, emphasis added).

3. Neither Kent and Burnight’s (1951) original article nor Mueller, Broderick, and Kipnis’s (2009) discussion of xenocentrism from a marketing perspective makes any attempt to operationalize the construct. The only measurement instrument we could locate was in an unpublished doctoral thesis (Lawrence 2012); however, his proposed (six-item) scale is not theoretically anchored, and scale development and validation was undertaken mostly on student samples.

4. With the exception of the social dominance orientation variable, for which data from Study 5 were used.

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