



Impact of Education on Ethnocentrism Level of Urban Households

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Abstract

The factors which affect the level of ethnocentrism in consumers are education, income, enculturation-acculturation and collectivism. It may be because of the difference in socio-economic condition. To study the impact of education on ethnocentrism level of urban household due to Multinational company products consumption a study was conducted. It was exploratory in nature. The locale of the study was the twin cities of Hyderabad and Secunderabad of the State of Andhra Pradesh. The total sample sizes of 300 were selected by using stratified random sampling techniques. 100 each belonging to three income categories viz High income group Middle income group, Low income group. Urban homemakers' educational level and expenditure pattern were positively significantly related to ethnocentrism. With the increase in the information package of multinational company products, product influence on attitude, enculturation – Acculturation etc there was decrease in feeling of ethnocentrism among consumers.

Keywords: Impact, Education, Ethnocentrism, Urban Households.

Introduction

India's contemporary times are driven by the technology. The Indian consumer are becoming more conscious regarding their consumption behavior. They are not consuming foreign products merely because of their 'made in' tags. Today's though the Indian consumers has greater access to multinational company products yet the young Indian are the most consumer ethnocentric

Theoretical Orientation: GATT/ WTO efforts has brought a significant lowering of tariffs and dismantling of other barrier, which give rise to free flow of consumer products across the countries. The Indian manufacturers are facing an unhealthy competition from foreign goods. In such a scenario, it would be worthwhile to examine the attitude of Indian consumers towards the purchase of foreign-made goods. This type of research will help the Indian manufacturers to assess the severity of the threat from imports. It will give a direction to those manufacturers who wish to relocate into India or out of India.

Consumer Ethnocentrism and Socio-demographic Variables: The socio-demographic variable is significantly related with the level of consumer ethnocentrism. With the increase in the age there is a increase in the level of ethnocentrism. As the educational status increases the ethnocentrism level will decrease^{1,2,3}. The lower income group consumer thinks that consumption of multinational products will give rise to unemployment.

Methodology

Sampling strategy: The present study was exploratory in nature. The locale of the study was the twin cities of Hyderabad

and Secunderabad of the State of Andhra Pradesh. The total sample sizes of 300 were selected by using stratified random sampling techniques. 100 each belonging to three income categories viz HIG, MIG and LIG.

Two types of variables were considered for the study namely dependent variables and independent variables. The independent and dependent variables considered in the present study are:

Table-1
Types of variables

Independents variables	Dependent variables	
Type of occupation	Market Segmentation	Use Related Segmentation and Usage situation Benefit Segmentation
Age	Personality	Innovativeness and Susceptibility Ethnocentrism
Education	Perception	Product perception Perceived risk
Monthly Family Income	Enculturation and Acculturation	
Family Size	Product Information	
Type of Family	Expenditure Pattern	

Questionnaire Development: An interview schedule was designed for the purpose of collection of data from the respondents. It comprised of two sections. First section consisted of information related to home maker i.e. age, education, occupation, income and family type, family size,

family education, family occupation. The section second covers details about consumption behavior of the respondent and the reason for it.

Results and Discussion

Results: The results of study on urban household consumer behavior regarding Multinational consumer products are presented under the following section

Section-I: General Profile of the Samples - It deals with the General profile of the consumers (sample) and Family profile, each of which is given according to subheadings for easy comprehension.

General profile of the consumers and family profile includes, consumers age, education, employment, family type, family size, Monthly family Income, Spouse education, employment Status of Spouse etc.

It is evident that, majority of the sample (64%) were in the age group "up to 35", out of which 32% belongs to low Income group. Out of the total population 33% were graduates followed by post graduate 25 percent, illiterate 18 percent and 14 percent completed their doctoral one interesting finding was that out of 25 percent of respondents who was having post graduates degree 52 percent of them belongs to middle income group family. 18 percent of the respondents who were illiterate belongs to lower income group family. It was found that not a single respondent belonging to middle income group were involved in self employment.

Regarding monthly family income, higher Percentage (68%) of the higher income group family were earning Rs. 20,001 to 30,000. Nearly cent percentage (92%) of the middle income group family belongs to Rs. 15,001 to 20,000 income group. It was found that more than three fourth of the respondent (84%) belonged to nuclear family and negligible Percentage (16%) belonged to joint family, irrespective of their income group maximum respondents irrespective of their income group maximum respondents belonged to nuclear family group. 79 percent of the sample were from families with 1 to 5 members and 18 percent from 6 to 10 members in their families. About the respondent's spouse employment status it was analyzed that more than half of the respondent's spouse was engaged in

private organization. In government section maximum percentage (40%) of employee were from middle income group followed by 12 percent high income group and 16 percent respondent's spouse from lower income group. About the educational status it was reported that nearly 50 percent (46%) of the respondent's spouse were post graduate, followed by 16 percent doctoral degree, maximum number of respondent's (28%) spouse of low income group families were illiterate. Out of Middle income group families 12 percent of respondent's spouse were illiterate. Not a single respondent's spouse from middle income group families and lower income group families were have doctoral degree

Ethnocentrism: For analyzing Ethnocentrism, "consumer ethnocentrism scale" was developed. The scale is constructed to measure how receptive consumers are to foreign made products and those that re not.

The above table 2 presents the ethnocentrism level among consumer. It is evident from the above table that majority of the respondent from each income group were having medium level of ethnocentrism. In comparison to LIG and HIG, maximum respondent (32%) from MIG was having High level of CES. Nearly cent Percent of the HIG consumer (92%) were having medium level of CES. The result shows not a single respondent belonged to low level of ethnocentrism.

Relationship between Ethnocentrism, personal, family and dependent variables: The relationship was found between ethnocentrism, dependent and independent variables.

One interesting finding from the above results is that there was no positive significant correlation between independent variables and ethnocentrism. Income and respondent's education had negative significant correlation with ethnocentrism. When there was increase in income, education, there was decrease in ethnocentrism. Among Higher income group family type, family size was negatively and significantly correlated with ethnocentrism. Only family type had significant and positive correlation with ethnocentrism among MIG. In LIG family's income and respondent's spouse education had significant correlation with ethnocentrism. With the increase in respondents' spouse education thee was increase in ethnocentrism.

Table-2
Ethnocentrism level among consumers

Category	LIG		MIG		HIG		Total	
	F	%	F	%	F	%	F	%
Low (31 – 72)	-	-	-	-	-	-	--	--
Medium (73–114)	80.0	80.0	68.0	68.0	92.0	92.0	80.0	80.0
High (115 – 155)	20.0	20.0	32.0	32.0	8.0	8.0	20.0	20.0

Table 3
Relationship between Independent Variables and Ethnocentrism

Independent Variable	'r' Value			
	LIG	MIG	HIG	Overall
Age	0.117	-0.118	-0.086	-0.108
Income	-.290**	-0.175	-0.115	-.287**
Family Type	0.074	.252*	-.198*	-0.019
Family size	-0.158	0.144	-.337*	-0.056
Respondent's Education	0.129	-0.165	-0.112	-.121**
Respondent's Spouse Education	.220*	0.030	0.027	-0.101
Respondent's occupation	.241*	0.01	0.034	-0.203
Respondent's spouse occupation	0.114	-0.117	-0.074	-0.125

Table-4
Relationship between Ethnocentrism and others dependent Variables among consumers

Variable	'r' Value			
	LIG	MIG	HIG	Overall
Susceptibility and innovativeness	0.169	0.034	.235**	0.040
Information package	-0.059	0.146	-.242**	-0.061
Goal congruency	.528**	.001	-0.153	0.028
Expenditure Pattern	.242**	.380**	.525**	.271**
Product Influence on Attitude	.303**	-.220*	-.206**	.078
Enculturation – Acculturation	-.330**	.525**	-.271**	-.416**
Shift in consumption	-0.019	-0.056	-0.081	-0.030
MNC concern for Customer's Satisfaction	.316**	0.067	0.015	0.083
Quality of Indian Product vis-a-vis MNC	0.164	.355**	-.260**	0.048
MNC Attributes in Comparison With Indian Products	0.122	0.046	0.012	0.040
Multinational Company Product Use Segmentation	.336**	.233*	.339**	0.072
Origin of Product	-.302**	.074	-0.042	-0.035
MNCp appropriateness	-.240*	.047	0.009	-0.069

The results depicted in the table-4 revealed that enculturation – acculturation had significant negative correlation with ethnocentrism. With the increase in expenditure pattern there was increase in ethnocentrism among consumers. Among HIG consumers information package, product influence on attitude, enculturation – acculturation, quality of Indian product vis-a-vis MNC had negative correlation with ethnocentrism. With the increase in the information package of MNC, product influence on attitude, enculturation – Acculturation etc there was decrease in feeling of ethnocentrism among HIG consumers. It was also reported from the findings that among MNCp use segmentation, enculturation – acculturation, quality of Indian product vis a vis MNCp, Expenditure pattern and Ethnocentrism was positive and significant correlation.

Discussion: Ethnocentrism level among consumers: Ethnocentrism means how receptive consumers are to foreign made products and those that are not. It was specified from the data that majority of the consumers were having medium level ethnocentrism. Only ¼ of the respondent's ethnocentrism level was high. This finding was in agreement with Louise⁴. Johansson has also found same result. He inferred that the Indians like to consume multinational consumer products⁵

Relationship between ethnocentrism independent variable and other dependent variable: Ethnocentrism among consumer was significantly related to independent variable (Respondents education) and dependent variable (expenditure pattern and Enculturation Acculturation). Finding in dated that respondent's education and expenditure pattern were positively significantly related to ethnocentrism. Only Enculturation-Acculturation was negatively correlated. The findings were in contrast to the results of vida and fairhurst⁶. He has also examined this aspect. Heslop and beracs found that due to lack of knowledge the urban households consumer are more ethnocentric⁷: It has been found that women are more consumer ethnocentric.

Conclusion

It can be concluded that income and respondent's education had negative significant correlation with ethnocentrism. With the increase in expenditure pattern there was increase in ethnocentrism among consumers. Regarding HIG consumers Information package, product influence on attitude, enculturation – acculturation, Quality of Indian product vis-a-vis MNC had negative correlation with ethnocentrism. Age, income, educational and occupational status were the variables

contributing towards levels of personality trait among consumers. Among LIG consumers, increase in family income did not result in high levels of personality trait but if the respondent's spouse educational status was high than the degree of innovativeness, susceptibility and ethnocentrism was also high.

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