

# The Role of Ethnocentrism in Higher Students Behavior to Consume: The Study of Made in China Fashion Product in Bandung<sup>\*</sup>

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The purpose of this research is to study the ethnocentric tendency of consumer toward Chinese fashion product. This study shows that 53.2% students in Bandung had high ethnocentrism attitudes. The associations between ethnocentrism and the perception on quality fashion products made in China are negative. It means that the more ethnocentrism, the less quality of China products perceived by students. Meaning that invasion of Chinese products will not strongly affect the existence of Indonesian fashion. On the other hand, this research shows that besides ethnocentrism, price is still a major consideration in terms of buying fashion products made in China, since there is a positive relationship between perceptions of price and the intention to buy. This research also shows that nationalism has indirect influence (through ethnocentrism) on intention to buy, which means that nationalism should be elaborated into ethnocentrism firstly before turn into buying behavior. Based on this research, a university as a social agent of development institution could enhance this ethnocentric tendency through curriculum or programs, for example, makes an anthropology or nationalism subject in their curriculum as a requirement.

*Keywords:* nationalism, consumer ethnocentric tendency, ASEAN-China Free Trade Area (ACFTA), perceived on price, perceived on quality, purchase intentions

# Introduction

Practitioners and academics in Indonesia have variety of opinions about the trade relations between ASEAN and China, especially with the enforcement of cooperation between China and ASEAN through ACFTA (ASEAN-China Free Trade Area). Some practitioners and academics see the negative impact of the enactment of ACFTA in Indonesia, meaning contra to the ACFTA, and some other see positive impact, meaning pro to the ACFTA. The contras argue that such ACFTA potentially bankrupt many companies in the country caused by the feared of flooding of Chinese products that have been proven to have cheaper price (Retrieved January 20, 2010, from http://www.bisniskeuangan.kompas.com/read). On the other hand, the pros argue that the enactment of ACFTA trade agreement between China and ASEAN cannot be avoided anymore, although the current trade minister is still doing the negotiations to change some points of the agreement (Retrieved January 20, 2010, from

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http://www.republika.co.id/berita).

The optimistic and pessimistic idea about ACFTA give negative or positive impacts on the industry in Indonesia. Additionally, the enactment of ACFTA can be categorized as economic factors that will influence the strategy developed by a company, therefore, such conditions could be seen as part of external factor changes facing by a company. It is expressed by some authors of marketing management and marketing strategy, such as, Kotler and Keller (2009), David (2004), and Craven (2003) who outline the theory that the changes in economic or political conditions are part of the external factors that can become opportunities or threats for companies.

Referring to the suggestion of Kotler and Keller (2009), David (2004), and Craven (2003), it can be estimated that the impact of ACFTA will provide opportunities or threats for companies. Some writers in the field of consumer behavior, e.g., Assael (1998), and Howard (1989) revealed the relationship between marketing strategy and consumer behavior. The authors reveal that marketing strategy is essentially focused on consumer behavior. Thus, a phenomenon in the business environment will be a threat or an opportunity depends on how consumers respond the incident, in this case, the attack of Chinese products to Indonesia as a result of the enactment of ACFTA. Therefore, in facing the phenomena or events in the environment, the business organization should understand the impact of the events or phenomena on consumers, in terms of understanding consumer behavior.

Schiffman and Kanuk (2000), Peter and Olson (1999), Assael (1998), and Zaltman and Wallendorf (1979), revealed the consumer behavior model which provides an overview of cultural or social role in influencing consumer behavior, one of the concept of sociology that influence consumer behavior is ethnocentrism, it is the construct of psychology which is relevant for analyzing of individual personality systems as well as wider analysis in term of framework of socio-cultural (Shimp & Sharma, 1987). The studies of the concept of ethnocentrism in the context of consumer behavior has been many studied, including by Cleveland, Laroche, and Papadopoulos (2009), John and Brady (2009), Horn (2009), Hsu and Nien (2008), and Sihombing (2005).

The third point that motivates this research is the issue of nationalism which is currently often used as a basis for promoting a product, for example advertising Pertamina "lucky nation, we are lucky", Maspion with the slogan "love the made in Indonesia products", and a shoe maker in the center of Bandung Cibaduyut shoe industry who is naming her shoes brand as "JK (Jusuf Kalla)", the name of ex-vice president of Indonesia. Stanford's Encyclopedia of Philosophy reveals that nationalism can be defined as an attitude owned by the nation when they care about the identity of their nation. However, Indonesia's consumers have a possibility to deal with the dilemma among selecting products that are not qualified, higher prices, with nationalism, given the resulting products of other States are cheaper and better, for example bead crafters of Trowulan which are pricing their products from 12 to 50 thousand rupiah, while Chinese products only 10 thousand rupiah (Retrieved from http://www.berita.liputan6.com/ekbis/).

Referring to the three points above, the aims of this research are:

(1) Examining the existence of ethnocentrism in the Indonesia's consumer behavior, especially in term of the implementation of ACFTA and invasion of Chinese products that are considered cheaper and better quality than Indonesian products, especially fashion products. Fashion is chosen because it is part of the textile and clothing industry. Considering that the fashion sector is expected globally to have significant potential market, which is valued at 1.7 trillion U.S. dollars, or about 3 times the GDP of Indonesia which is around 540 billion U.S. dollars (Kompas, 19 November, 2010, p. 18). Students are selected because they are parts of society that

are considered more understand the existence of the industry in Indonesia or Bandung. It is revealed by Zulganef, Nursjanti, and Garniwa (2007) through their research which shows that there is Opinion Leader in fashion products, which indicates that this product is quite popular among students; especially in terms of dissemination of information is better compared to other products that studied (i.e., political product);

(2) Analyzing the relationship among ethnocentrism tendencies, nationalism, product quality, price, and purchase intentions of students toward fashion products made in China;

(3) By understanding the existence of ethnocentrism, it can be recognized the impact of ACFTA enactment to industries in Indonesia, especially the industries whose products are compete in face to face (head to head) with products made in China, mainly deal with the quality and price, that is fashion. So that University as a social institution or agent development could reinforce the ethnocentrism tendency in Indonesia to prevent this country from foreign product invasion.

The authors reveal the background and problems in the research model through Figure 1.



Figure 1. Research model.

# Literature Review and Hypotheses Development

# **Intention and Ethnocentrism**

Intention is defined by Fishbein and Ajzen (1975, p. 288) as the possibility of subjectivity of someone to perform a certain action. Fishbein and Ajzen (1975, p. 292) furthermore explain that the intention is associated with the four different elements, namely, the behavior, object (target), the target behavior, and the situation where the behavior will be executed, and the time in which the behavior is raised.

Dharmmesta (1998, p. 91) describes the intention in the Theory of Planned Behavior (TPB) variables as: "catcher" or intermediary for the motivational factors that have impact on a behavior, illustrate how hard someone dared to try, demonstrating how much effort a person planned to do, and most closely associated with subsequent behavior.

Referring to the intention expressed by Dharmmesta (1998) above, then understanding the intention is the beginning or basis for understanding the behavior of a consumer. In this study, the authors' investigation is focused on the variable of intention to purchase Chinese products.

Some researchers reveal the role of intention in purchasing a product. Among them are Garbarino and Johnson (1999), and Eggert and Ulaga (2002) who investigated the role of trust and commitment in generating buying intentions. Whereas this study focuses on investigation of ethnocentrism as an antecedent for intention to buy Chinese fashion products.

Ethnocentrism is an attitude that sees the difference between his own group (in-group) with another group (out-group) (Schiffman & Kanuk, 2000). Fishbein and Ajzen (1975) and Ajzen (1988) revealed that the intention is a consequence of the attitude or a tendency toward an object or behavior. Referring to the term of attitudes proposed by Fishbein and Ajzen (1975), Ajzen (1988), and the term of ethnocentrism proposed by Schiffman and Kanuk (2000), and Shimp and Sharma (1987), who suggested that ethnocentrism is more concerned with blindly accepting to his own group (in this case, Indonesian nation) and tends to reject things that are outside the group, then the first and second hypotheses of this research are:

H1: Ethnocentrism correlates positively with intention to purchase fashion products made in China.

Kotler and Keller (2009) suggested price as the major determinant of buyer and consumers' choice is "price takers" and accept prices at "face value". The suggestion shows that price is an important consideration for consumers to purchase and it could be a major determinant of buyer's intention to buy. Economically, It means that the higher the price, the lower the intention to buy. In spite of that, price can be seen as a result of consumer evaluation, meaning that price is a perceived value and it can be considered as an attitude, consequently, the second hypothesis of this study is:

H2: higher students' perception on price correlates negatively with intention to purchase Chinese fashion products.

#### Ethnocentrism

Schiffman and Kanuk (2000), Peter and Olson (1999), Assael (1998), and Zaltman and Wallendorf (1979), revealed that consumer behavior model provides an overview of cultural or social role in influencing consumer behavior. One of the sociological concepts that influence consumer behavior is ethnocentrism, which is an attitude that sees the difference between his group (in-group) and other groups (out-group). Ethnocentrism has become psychological construct that is relevant to the personality as well as extensive analysis of socio-cultural framework (Shimp & Sharma, 1987). Thus becomes an interesting variable in consumer behavior since it is adopted from the field of sociology. There are many studies that investigate the role of ethnocentrism in the context of consumer behavior, including Cleveland et al. (2009), John and Brady (2009), Horn (2009), Nien Hsu (2008), and Sihombing (2005).

Cleveland et al. (2009) revealed that the Consumer Ethnocentrism Tendency (CET) and materialism (MAT) are very suitable for predicting the behavior of a consumer. In addition, Cleveland et al. (2009) revealed four patterns of consumption and materialism associated with ethnocentrism, namely: (1) CET is an antecedent to purchase traditional foods while materialism cannot predict the behavior of traditional food purchases; (2) materialism and tendency of ethnocentrism is negative or not significant predictors on consumption goods, for example, tea and fridge; (3) CET and MAT can predict the hedonic nature of local consumption, for example, traditional snacks and restaurants; and (4) predict hedonistic global consumption, for example, blue jeans, and internet surfing which are positive functions of MAT and negative functions of CET.

John and Brady (2009) examined the relationship between product consumption patterns package (consumable packages), i.e., products that are packaged with a good identity so consumers can know the origin,

content and product materials (labeling), and consumption of non-product package (non-consumable packages), i.e., products that are not given the identity of the packaging at all, with CET of Mozambique-African community, they reveal that the products are packaged and comes from South Africa are more vulnerable than the products of non-package. They also found that products of non-package more influenced by consumer ethnocentrism than the products that packaged, particularly products originating from South Africa.

Research of Nien Hsu (2008) on consumer behavior in Taipei and Shanghai revealed that ethnocentrism has a strong influence on the brand selection (preference) in the country. Ethnocentric consumers in Taipei and Shanghai are the people who are relatively older, educated, and those who have traveled abroad several times in the past three years, while the respondents from Shanghai are loyal to domestic brands. Taipei's respondents rank the domestic brands as one's top choice. The results of this study indicate that there are different patterns between consumer ethnocentrism in the sub-cultures of different Chinese communities. Research of Maheswaran (1994) toward consumer experts (expertise) and consumer beginners (novices) showed that the state of origin (country of origin) has a strong relationship with the consumer evaluation to product attributes.

Research of Cleveland et al. (2009), John and Brady (2009), Horn (2009), Nien Hsu (2008), and Maheswaran (1994) above gave an idea that ethnocentrism has a strong influence on the selection (preference) of a product, so that it can be estimated that ethnocentrism will also affect consumer perceptions on product quality and price of China-made fashion products, such influence will be negative since the ethnocentrism is an oriented attitude towards their own culture or group. Therefore the third hypothesis (H3) and fourth (H4) of this research are:

H3: Ethnocentrism correlates negatively with higher student's perception on quality of Chinese fashion products.

H4: Ethnocentrism correlates negatively with higher student's perception on price of Chinese fashion products.

#### Nationalism

Some companies in Indonesia use the issue of nationalism which is currently often used as a basis for promoting a product, for example, advertising of Pertamina, a national oil company which promote her product as "we are lucky, nation is lucky", Maspion with the slogan "loving the Indonesia products", Dhompet Dhuafa, non-government organization for a charity writes advertisement "tithe for my nation", Minister of Tourism and Culture of Indonesia on an Indonesia television broadcasting, states "knowing your country" and a shoe-making in the center of Cibaduyut shoe industry in Bandung, brands his shoes as "J K (Jusuf Kalla)" the ex-vice president of Indonesia. Besides that, there are several products that using Indonesian names, though the principal of those products is not come from Indonesia, such as, Toyota Kijang (The Deer Toyota), Mitsubishi Kuda (The Horse Mitsubishi), and Daihatsu Ceria (The Happy Daihatsu). The advertisement and brand names show that the issues of nationalism or original characters of Indonesian reflected on product brand names describes that it is important to understand the consumers' attitude toward nation (nationalism).

The attitude above is conforming to the term of nationalism attitude that stated by some researchers, such as, Cleveland et al. (2009), John and Bradly (2009), and Hsu and Nien (2008) who pointed out that consumers prefer domestic products rather than foreign products.

Breuilly (2009) cited Alberto Banti's work and revealed that nationalism can be treated as sentiments, or ideas, or political action. In addition, Breuilly (2009) suggested that the three aspects may be connected both in

general models and particular accounts as well, but nevertheless they remain distinct dimensions. Breuilly (2009) also cited Benedict Anderson about nationalism, He expressed that like Banti, Anderson treats nation as an imagined idea generated by modern forms of culture and communication.

Stanford Encyclopedia of Philosophy reveals the definition of nationalism as follows:

The term "nationalism" is generally used to describe two phenomena: (1) the attitude that the members of a nation have when they care about their national identity; and (2) the actions that the members of a nation take when seeking to achieve (or sustain) self-determination (Retrieved from http://www.plato.stanford.edu/entries/nationalism/#1.1)

*Stanford Encyclopedia of Philosophy* reveals that nationalism can be defined as the attitude owned by a nation when they care about the identity of their nation. Nevertheless, it is possible for Indonesian consumers to deal with the dilemma among selecting products that are not qualified, higher prices, with nationalism, given the resulting products of other Country is cheaper and better, for example, bead crafters Trowulan price ranges from 12 to 50 thousand rupiah, while Chinese products only 10 thousand rupiah (Retrieved from http://www.berita.liputan6.com/ekbis/).

The authors suggest that the term of nationalism which is defined above is conforms to the term of ethnocentrism, in order that, it can be predicted that the higher the nationalism, the higher the ethnocentrism. And if we compare nationalism with ethnocentrism, we can see that ethnocentrism is some kind of nationalism elaboration, so that nationalism is a source of ethnocentrism as Breuilly (2009) commented on Banti's work of nationalism that nationalism can be modern, constructed and yet possesses emotional depth, and culturally, nationalism is the template on which political and economic arrangements come to be based—to an account of nationalist action as commitment, choice, and will.

Then we can say that the stronger nationalism, the stronger ethnocentrism. Referring to the logical consequences of nationalism and ethnocentrism then the fifth hypothesis (H5) of this research can be formulated as follows:

H5: Nationalism correlates positively with Ethnocentrism tendency of Bandung higher student toward Chinese fashion products.

Research of Maheswaran (1994) revealed the relationship between countries of origin that have relations with consumers' evaluation toward product attributes. This describes that consumers have certain attitude to the origin of products. On the other hand, Nakata and Sivakumar (1996) through literature review producing several proportions whom connecting national culture and the development of new products.

The sixth hypothesis of this study is adopted from Maheswaran's (1994) research and Nakata and Sivakumar's (1996) proportion which are based on literature review describe that nationalism can be a basic factor of a consumer in purchase action, mainly when it is viewed through the attitude theory that reveals the relationship between cognitive and conative (Schiffman & Kanuk, 2000), since nationalism can be seen as a cognitive and the intention or attitude as a conative.

Referring to the term of nationalism stated by *Stanford Encyclopedia of Philosophy* above, that the nationalism is the attitude of someone in connection with national identity and actions connected to the achievement of self-determination. The research of Maheswaran (1994) concerned to the relationship between country of origin and evaluation toward product attributes, proportion of Nakata and Sivakumar (1996) concerning to the relationship between national culture and the development of new products, and attitude theory (Schiffman & Kanuk, 2000), therefore the sixth hypothesis (H6) of this research can be formulated as:

H6: Nationalism correlates negatively with higher student's intention to purchase Chinese fashion products.

#### **Product Quality, Price, and Ethnocentrism**

Kotler and Keller (2009, p. 169) quoted the American Society for Quality Control that reveal the quality of the overall features and characteristics of products or services that associated with the ability to satisfy customer needs. While Cheng and Tam (1997) cited the meaning of quality of some researchers, the citation expressed meaning of quality as excellence, value, fitness for use, conformance to requirements, defect avoidance, and meet or exceeds customers' expectations. On the other hand, Parasuraman (1996, p. 145), quoting Lewis and booms in the field of quality of service, that reveals service quality as a measure of the extent of services provided in accordance with customers' expectations.

Most of the meaning of the quality reveals that quality is closely related to the needs or desires of consumers, in the sense that the higher the product or service meets the needs of consumers, the higher the quality of that service. In addition, Barnes and Cumby (1996, p. 178) revealed the relationship between product quality and costs, especially in services. They revealed that to produce good quality service, we need a high cost.

Referring to the understanding proposed by Barnes and Cumby (1996), it can be expected that the quality of services is associates with product price, so it can be said that if the quality of products is good, the price would be high. In order that, consumers will face the choice of quality products with high prices or products with less or no quality with low price. However, research of Riesz (1978) reveals the relationship between price and quality of products as follows: There is a negative relationship between price and product quality on the products of non-durables, while the durable products have a positive relationship between quality and price of the product, then the seventh hypothesis (H7) of this research:

H7: Bandung higher student's perception on quality correlates positively with her perception on price of Chinese fashion products.

#### **Research Design**

This research approach is explanatory, while the method used is a survey method and the unit of analysis is higher students in Bandung. Data were collected using convenience sampling technique, by distributing questionnaires to the students of Bandung. The data analysis technique used was analysis of the average frequency of respondents' answers to the question of ethnocentrism to detect the presence of ethnocentrism and structural equation modeling to analyze the relationship between the variables studied.

The questionnaires were distributed using convenience sampling technique to private universities in Bandung, they are Widyatama University, Parahyangan University, STIE Al-Maksoem, and STIE Ekuitas, the total distributed questionnaires were 500 exemplars. The returned questionnaires were 410 exemplars (response rate is 82%).

# Result

#### **Ethnocentrism Identification**

The data show that cumulative percent for average responses from 1 to 3 Likert scale is 46.8%, it represents the lower ethnocentrism tendency response. On the other hand, the rest is 53.2% which represents the average response from 3.01 to 5 Likert scale. It indicates that the ethnocentrism tendency response is high. It means that most respondents have a high tendency ethnocentrism attitude.

#### **Data Fit Model**

Analysis of data to test hypotheses of this study conducted in two stages, namely, overall analysis of the model, in terms of analyzing the fit between the data to the model, and structural analysis, i.e., analysis of the relationships contained in the model (Anderson & Gerbing, 1988; Hair et al., 1995). Mueller (1996, p. 82), Hair, et al. (1995, p. 682), Bone, Sharma, and Shimp (1989), Joreskog and Sorbom (1988), revealed some of the criteria normally used in analyzing or testing the fit of the data to the model, including chi-square, Goodness of Fit Index (GFI), Adjusted Goodness of Fit Index (AGFI), Root Mean Square (RMR), Root Mean Square Error Adjusted (RMSEA), and the parsimony index. The researchers revealed that the higher the fit index values above, it shows the fit between the estimated data with the model (model fit to the data).

Tables 1 and 2 are the result of data analysis. They show the value of Cmin/DF is 1.736 which stands at between values 1 and 5; RMR =0.187, GFI = 0.837; and AGFI = 0.817. This illustrates that the model under study fit to the data.

| Table | 1 |
|-------|---|
|       |   |

CMIN/DF

| Model              | NPAR | CMIN      | DF  | Р     | CMIN/DF |
|--------------------|------|-----------|-----|-------|---------|
| Model alternative  | 84   | 1,208.280 | 696 | 0.000 | 1.736   |
| Saturated model    | 780  | 0.000     | 0   |       |         |
| Independence model | 39   | 1,673.988 | 741 | 0.000 | 2.259   |
| Zero model         | 0    | 7,390.500 | 780 | 0.000 | 9.475   |

Table 2

| RMR  | GEL   | AGFI.  | and | PGFI   |  |
|------|-------|--------|-----|--------|--|
| NMN. | UI'I. | AUL'I. | unu | F UI'I |  |

| Model              | RMR   | GFI   | AGFI  | PGFI  |
|--------------------|-------|-------|-------|-------|
| Alternative model  | 0.187 | 0.837 | 0.817 | 0.746 |
| Saturated model    | 0.000 | 1.000 |       |       |
| Independence model | 0.270 | 0.773 | 0.762 | 0.735 |
| Zero model         | 0.347 | 0.000 | 0.000 | 0.000 |

#### **Structural Analysis**

Table 3 shows the relationships among variables analyzed. The table shows that 3 out of 7 of the relationships hypothesized are significant at the level of confidence 0.05, namely:

- The positively correlation between Nationalism and Ethnocentrism;
- The negatively correlation between Ethnocentrism and the quality of products perceived;
- The positively correlation between product quality and product price perceived.

On the other hand, 2 of 7 the relationship hypothesized are significant at the level of confidence 0.1, namely:

• The positively correlation between product price perceived by Bandung higher students and intention to buy;

- The negatively correlation between ethnocentrism and intention to buy. While the not supported hypotheses are:
- The correlation between ethnocentrism and the price perceived;
- The correlation between nationalism and the intention to buy.

|                    |   |                 | Estimate | S.E.  | C.R.   | Р     |
|--------------------|---|-----------------|----------|-------|--------|-------|
| Ethnocentrism      | < | Nationalism     | 0.519    | 0.106 | 4.898  | ***   |
| 2 Product quality  | < | Ethnocentrism   | -0.308   | 0.099 | -3.117 | 0.002 |
| B Product price    | < | Product quality | 0.379    | 0.152 | 2.495  | 0.013 |
| Product price      | < | Ethnocentrism   | -0.011   | 0.038 | -0.284 | 0.776 |
| 5 Intention to buy | < | Nationalism     | 0.018    | 0.048 | 0.379  | 0.705 |
| 5 Intention to buy | < | Product price   | 0.73     | 0.423 | 1.725  | 0.085 |
| Intention to buy   | < | Ethnocentrism   | -0.113   | 0.068 | -1.653 | 0.098 |

Tabel 3

| Regress | sion                                    | Weights    |
|---------|---|------------|
| negres  | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | 11 0181115 |

Note. \*\*\* significance at 0.01 level of confidence.

Table 3 and Figure 2 show two main paths of Bandung's students' mental processes in considering the purchase of fashion products made in China.



Figure 2. Research result.

Nationalism  $\rightarrow$  Ethnocentrism  $\rightarrow$  Perceptions on the quality of Chinese fashion products  $\rightarrow$  Perceptions on the price of fashion products made in China  $\rightarrow$  Intention to purchase made in China fashion products. The value of statistical estimation is:  $0.519 \times 0.308 \times 0.379 \times 0.73 = 0.044$ .

Nationalism  $\rightarrow$  Ethnocentrism  $\rightarrow$  Intention to buy made in China fashion products. The value of statistical estimation is:  $0.0519 \times 0.113 = 0.059$ .

The two paths of mental processes mentioned above show that Ethnocentrism plays an essential role in mediating the correlation between nationalism and the intention to purchase fashion products made in China.

# **Conclusion and Discussion**

#### Conclusion

The research result shows that several things need to be discussed in this study, namely:

(1) This study showed that amount of 53.2% of higher students in Bandung have high ethnocentrism attitude. It shows that most of the Indonesian students recognize the differences between Indonesian people (in-group) with other nations (out-group) in this case the Chinese nation.

(2) According to the first point above, it can be expected that the Indonesian students know well the differences between Chinese products and Indonesia products, and different knowledge of the products, which means that Indonesia students have strong attitudes to withstand the influence of invasion of fashion products made in China. The correlation between ethnocentrism and the perception on quality of fashion products that made in China (H3) is negative; it shows that the higher the Bandung students' attitude of ethnocentrism, the lower the perception of Bandung's students on quality of fashion products made in China. In addition, since there is ethnocentrism in Bandung students, so it can be expected that if Indonesia students in Bandung were given the option to choose similar products between Chinese and domestics, they will choose domestic product.

(3) The H1 is supported at 0.1 level of confidence. This shows that the higher ethnocentrism attitude of Bandung students, the lower the Bandung students' intention to buy made in China products, and this is shows that ethnocentrism is one of the major considerations when Bandung's students purchase fashion product that made in China.

(4) The H2 is supported at 0.1 level of confidence, but with positive correlation. This correlations is reflects that price is one of major considerations when Bandung's students purchase fashion product that made in China.

(5) The H3 is supported at 0.01 level of confidence. It means that domestic producers do not have to worry about invasion of Chinese products. This is parallel with the existence of ethnocentrism in the students in Bandung as described in point 3 above, meaning that the higher ethnocentrism attitude of Bandung students, the lower the Bandung students' perception on quality of China products.

(6) The H5 is supported at 0.05 level of confidence, this shows that attitude toward nationalism has associations with the level of consumer ethnocentrism trends in addressing Chinese products, this shows that students of private universities in Bandung is still concerned about the existence of the Indonesian people, especially their presence in the economic field and the survival of products produced by Indonesia, however price is still should be noted. The supporting result on H2 showed that the most likely to beat ethnocentrism or nationalism is the price consideration. Since the fact shows that the prices of fashion product that made in China are lower than Indonesia products.

(7) There is one thing to be noted by the business actors in Indonesia in the term of the invasion of Chinese products, that is the pricing problem. This research shows that price is still a major consideration in terms of buying fashion products made in China, this can be seen in a positive correlation between perceptions on price with the intention to purchase fashion products made in China (H2). Price is operated as something positive, the statement that says, "the price of fashion products made in China is cheap", and "the price of fashion products made in China is more valuable than the made in Indonesia products". It means that the questions is try to catch the student attitude of reflecting "the cheaper perceived on price of fashion products, the stronger the intention of students in Bandung to buy fashion products made in China". It can be said that the price and ethnocentrism are two main variables considered by the Students in Bandung in buying fashion products made in China.

(8) The H7 is supported at 0.05 level of confidence. The quality of fashion products made in China is operated in positive sentences, such as "fashion products made in China are good", or "fashion products made in China is better than made in Indonesia" this question is try to catch the attitude that the better fashion product made in China, then the cheaper the product perceived. Although ethnocentrism affects the perception on quality of fashion products made in China, but the quality will firstly influence intention to buy through the

price perception. It means that quality is one of major considerations for Bandung's students in purchasing fashion products made in China, but firstly it should influences price.

(9) Structural analysis shows two main lines of mental processes of students of Bandung in considering the purchase of fashion products made in China, namely:

• The pathway that showed the main considerations of Price. The value of statistical estimation is:  $0.519 \times 0.308 \times 0.379 \times 0.73 = 0.044$ ;

• The pathway that showed ethnocentrism as the main consideration. The value of statistical estimation is:  $0.0519 \times 0.113 = 0.059$ .

Two paths of mental processes mentioned above show that Ethnocentrism plays an essential role in mediating the relationship between nationalism with the intention to purchase fashion products made in China, and shows that Ethnocentrism can either directly or indirectly (through quality perceived) influence the intention to purchase fashion products made in China. However, prices can also be a major consideration but not so alarming, since the path is relative longer (the estimation value of price consideration path is lower than ethnocentrism) (0.044 vs. 0.059).

(10) Nationalism does not have a significant relationship with intention to purchase Chinese fashion products, which suggests that Indonesia consumer behavior is not come from political attitude. It means that we can make separation between political and economic attitudes in Indonesia Students, in addition, economics and politics phenomenon is not a sequential matter, and it is parallel.

# Recommendations

This research shows that ethnocentrism is one of two main considerations for students in Bandung in buying fashion products made in China. Nationalism does not influence intention to buy, while ethnocentrism, and price perceived are influencing intention to buy. This shows that nationalism is indirectly influences intention to buy fashion products made in China. In order that, nationalism advertising has to be modified into more detail to make more ethnocentric looks. It should be more expressing the difference between Indonesia products and Chinese products, not just as Maspion's "Lucky nation, we are lucky", or "Love the made in Indonesia products", or a brand of "JK" (Jusuf Kalla, an Indonesia's ex-vice president) by a shoe maker.

Besides ethnocentrism, this research also shows price as one of main considerations for students in Bandung to buy fashion products made in China. This means that Indonesia's producers should push Indonesia Government to force down economics costs, since Indonesia now is known as a high-cost economics country. Referring to the correlation between perceived on price and the intention to purchase fashion products made in China, the high economic cost that is often a major problem in the producing of goods in Indonesia is need to be fixed.

Since ethnocentrism exists in Badung's higher students, consequently, universities as a social development agent could reinforce the attitude of ethnocentrism and nationalism through their programs or curriculums, such as anthropology or nationalism as a subject's requirement.

The existence of ethnocentrism in Indonesia showed by cumulative percent for average responses 1 to 3 Likert scale is 46.8%, it represent the lower ethnocentrism tendency response, especially students in Bandung is relatively not quietly small comparing to higher ethnocentrism, that is, 53.2% of the total respondents of this research, people need a campaign or a national movement to promote the importance of consuming made in Indonesia products.

To prevent a flood of Chinese products, there should be policies that make the Indonesian products have better quality than Chinese, meaning more satisfy market need. It means that Indonesia manufacturers should manufacture products through better raw materials.

# **Limitations and Further Research**

This research was conducted only in Bandung and restricted at four universities only. It would not represent all higher students in Bandung. Consequently, there should be further research with broader respondents, e.g., involving students of other towns in Indonesia, and involving citizens of Indonesia, such as employees, the women of household, or the manager.

Students are not likely able to evaluate perfectly, in the sense of comparing the fashion products made in China and made in Indonesia, since they are not asked whether they have ever/never consume fashion products made in China. However, this weakness is not so alarming, considering ethnocentrism revealed by respondents who exposes that they knew the difference between Indonesia and China products.

The number of objects evaluated is only fashion, so it cannot be generalized to Chinese products as a whole, consequently it needs conducting similar research in the future on the other types of made in China products, e.g., electronic products or automotive.

The values contained in this research's statistics tool have strong correlation with the number of samples, for example, Uni-dimensional treatment that eliminates several indicator variables is reducing the amount of information netted in this study. However, this weakness has already been minimized by looking at the adequate suitability indices.

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