



European Business Review

Conceptualising the influence of the cultural orientation of Latin Americans on consumers' choice of US brands

Sanjaya S. Gaur Hanoku Bathula Carolina Valcarcel Diaz

Article information:

To cite this document:

Sanjaya S. Gaur Hanoku Bathula Carolina Valcarcel Diaz , (2015), "Conceptualising the influence of the cultural orientation of Latin Americans on consumers' choice of US brands", *European Business Review*, Vol. 27 Iss 5 pp. 477 - 494

Permanent link to this document:

<http://dx.doi.org/10.1108/EBR-03-2013-0061>

Downloaded on: 15 November 2016, At: 00:08 (PT)

References: this document contains references to 83 other documents.

To copy this document: permissions@emeraldinsight.com

The fulltext of this document has been downloaded 325 times since 2015*

Users who downloaded this article also downloaded:

(2015), "The influence of image and consumer factors on store brand choice in the Brazilian market: Evidence from two retail chains", *European Business Review*, Vol. 27 Iss 5 pp. 495-512 <http://dx.doi.org/10.1108/EBR-03-2013-0048>

(2015), "Brand personality and purchase intention", *European Business Review*, Vol. 27 Iss 5 pp. 462-476 <http://dx.doi.org/10.1108/EBR-03-2013-0046>

Access to this document was granted through an Emerald subscription provided by emerald-srm:563821 []

For Authors

If you would like to write for this, or any other Emerald publication, then please use our Emerald for Authors service information about how to choose which publication to write for and submission guidelines are available for all. Please visit www.emeraldinsight.com/authors for more information.

About Emerald www.emeraldinsight.com

Emerald is a global publisher linking research and practice to the benefit of society. The company manages a portfolio of more than 290 journals and over 2,350 books and book series volumes, as well as providing an extensive range of online products and additional customer resources and services.

Emerald is both COUNTER 4 and TRANSFER compliant. The organization is a partner of the Committee on Publication Ethics (COPE) and also works with Portico and the LOCKSS initiative for digital archive preservation.

*Related content and download information correct at time of download.

Conceptualising the influence of the cultural orientation of Latin Americans on consumers' choice of US brands

Influence of
the cultural
orientation

477

Sanjaya S. Gaur

*Sunway University Business School, Sunway University,
Bandar Sunway, Malaysia*

Hanoku Bathula

*Graduate School of Management, The University of Auckland,
Auckland, New Zealand, and*

Carolina Valcarcel Diaz
Subway Perú, Lima, Peru

Received 31 March 2013
Revised 24 September 2013
Accepted 12 June 2015

Abstract

Purpose – The purpose of this study is to identify the main cultural factors that influence Latin American consumers' intentions to purchase US brands. Although culture and cultural orientation have been well researched in international business and marketing literature, there is a lack of research on the relationship between consumers' cultural orientation and their bias towards foreign and domestic products.

Design/methodology/approach – The paper reviews the extant literature with a particular emphasis on the key constructs of consumer ethnocentrism, consumer xenocentrism, conspicuous consumption and consumers' national characteristics. Based on this review, the authors propose a conceptual model showing the influence of cultural orientation on the selection of US brands in Latin America.

Findings – The review of the literature shows that previous studies support the proposition of cultural orientation and preferences for foreign versus domestic products among Latin American consumers. Accordingly, in their conceptual framework, the authors posit that consumer ethnocentrism negatively influences the selection of US brands, while xenocentrism does the opposite. Conspicuous consumption is posited as moderating the influence of consumer xenocentrism on purchase intentions of the US brands. On the other hand, national characteristics of consumers in Latin America are posited as moderating the influence of both consumer ethnocentrism and consumer xenocentrism on the selection of US brands.

Practical implications – The authors also present important theoretical and practical implications that contribute to the growing body of research on consumer acculturation and country of origin effects, providing a better interpretation of consumer behaviour in the context of international and domestic markets.

Originality/value – This study fills a significant gap in the understanding of the impact of cultural orientation and conspicuous consumption on selection of US brands in Latin America. Its conceptual framework can provide the basis for future empirical studies and also improve understanding of emerging markets.

Keywords Latin America, Cultural dimensions, Country of origin effects, Consumer choice, Advertising, Branding and brand management, Cultural orientation

Paper type Conceptual paper



Introduction

According to [Fastoso and Whitelock \(2011\)](#), there is a need for more research on emerging markets. Although some research interest has recently been shown in Latin America in management areas, Latin America has been relatively neglected in both the international business and marketing fields ([Burgess and Steenkamp, 2006](#)). Specifically, the influence of US brands on Latin American consumer behaviour is an under-researched topic that is particularly important to investigate, given that the gross domestic product of this region is nearly US\$ 4 trillion and the population of over 550 million is highly important to the global economy ([International Monetary Fund, 2010](#)). More critically, Latin America is a fertile ground for generating new theories and models for different contexts ([Fastoso and Whitelock, 2011](#)).

Many Western brands have been globalised by the development of global media such as television and the Internet and consumer mobility such as cross-border tourism and worker flexibility. These influences have generated a global consumer culture that is directed towards building global brands ([Alden *et al.*, 2006](#)). In particular, [Kinra \(2006\)](#) indicates that consumers in developing countries usually perceive foreign goods to be of higher quality compared to local brands. In this context, [Ogden *et al.* \(2004\)](#) suggest that this global consumer culture has had an impact on Latin American consumers' perception and behaviours. Consequently, Latin American consumers have progressively increased the demand for US brands and products, from electronics to novelty items, and this inclination towards US goods is related to a significant level of brand loyalty ([Bos, 1994](#)). As a result, US brands possess a differentiating power in Latin America, as the consumers in this region endeavour to augment self-esteem and competence by obtaining brands that are perceived as modern and cosmopolitan ([Alden *et al.*, 2006](#)).

Furthermore, Dependency Theory ([Tansey and Hyman, 1994](#)) indicates that Latin America depends on an expanding capitalistic world system of Advertising by Foreign Multinational Corporations (AFMC), a system in which advanced nations such as the USA extract surplus value from the underdeveloped nations by condemning them to constant class [social] battles and oppressive governments, thus keeping the nations underdeveloped. Correspondingly, [Verlegh \(2007\)](#) argues that AFMC in Latin America promotes conspicuous consumption and impulsive buying behaviour. As a result, consumers strive to enhance their social status through the consumption of imported, expensive unnecessary luxuries ([Merino and Gonzalez, 2008](#)), thus augmenting the demand for these goods among the middle and upper classes, and even among the working classes ([Janus, 1986](#); [Mattos, 1980](#)). This phenomenon strengthens the dependency of Latin America on the USA, thereby impeding its economic development by the purchase of imported goods over domestic goods ([Oliveira, 1986](#)).

Additionally, the dominance of American advertisement agencies and extreme advertising clutter in Latin America has negatively influenced and also impoverished the working classes, and the poor as consumers try to imitate lifestyles and consumption patterns of advanced nations due to excessive advertising ([Tansey and Hyman, 1994](#)). However, opponents of Dependency Theory claim that these advertisements are clearly meant for the upper and elite classes, for the reason that members of these categories are educated and can purchase discriminatingly ([Straubhaar and Viscasillas, 1991](#)). It has also been argued that US advertising in Latin America distorts cultural values and promotes unhealthy lifestyles ([Tansey and Hyman, 1994](#)). However, an opposite view by

Kaynak (1989) argues that US advertising cannot alter traditional values; it only adjusts existing wants and values. Likewise, Callahan (1986) indicates that foreign advertising does not promote conspicuous consumption and does not change the level of consumption. There are, therefore, conflicting views on this issue.

Likewise, Pollay (1986) acknowledges that there are some positive effects of advertising in underdeveloped countries, including the promotion of appropriate social aims, such as combating illiteracy, increasing savings, improving hygiene, reducing high birth rates and preparing consumers to make decisions; specifically through mass media, communication about better standards of living are portrayed to consumers (Straubhaar and Viscasillas, 1991). Furthermore, Sharma (2011) indicated that the preference for either foreign goods or domestic goods among Latin American consumers is inconclusive. While some studies indicate that Latin American consumers prefer foreign goods over domestic goods (Bos, 1994; Alden *et al.*, 2006), other studies suggest that Latin American consumers prefer domestic goods because they cope better in terms of availability and price competitiveness (Merino and Gonzalez, 2008).

After searching for further information concerning why Latin Americans have a preference for US brands over domestic brands, we wondered what the underlying mechanisms that influence Latin American consumers to purchase US brands could possibly be. To find out how this phenomenon occurs, we undertook an extensive search of foreign product evaluation and cultural orientation of consumers using electronic databases of scholarly publications (e.g. Emerald, EBSCO and ABI Inform) after identifying and examining relevant articles.

Importance of the topic

Although culture and cultural orientation have been well researched in international business and marketing literature, and even though there has been a growing interest in theories related to buying intentions and consumers' attitudes and perceptions with reference to a product's country of origin, it is found that there is a lack of adequate research on the relationship between consumers' cultural orientation and their bias towards imports and domestic products (Yoo and Donthu, 2005). Similarly, there is a lack of research on country-of-origin effects on consumers' purchase behaviour, which includes purchase intentions towards foreign products and consumers' evaluation of such products in emerging countries (Sharma, 2011). In particular, research on ethnicity as a potential influence on consumer ethnocentrism has been largely ignored (Yoo and Donthu, 2005).

Furthermore, the understanding of consumer xenocentrism is limited, and this calls for further investigation (Mueller and Broderick, 2009). Similarly, Cannon and Yaprak (2002) state that, although general openness to foreign goods has received some attention, research on consumer xenocentrism is in its infancy. Particularly, there is a need to explore this area from various standpoints such as studying the context and circumstances that affect consumers' buying behaviours, consumers' preferences for foreign goods and domestic derogation (Peterson and Jolibert, 1995; Amine *et al.*, 2005).

Consequently, this conceptual paper is built on theories and concepts that examine the cultural orientation of consumers and their behaviours and attitudes towards foreign and domestic goods, thereby providing a clear picture of foreign versus domestic bias among Latin American consumers. Specifically, the objective of this conceptual paper is to provide a comprehensive background of the main cultural determinants that

influence Latin American consumers' intentions to purchase US brands. This paper will reconcile disparate theories used in prior literature to identify underlying reasons why Latin American consumers have a preference towards foreign goods over domestic goods or vice versa. The rest of the paper is structured as follows. The next section will cover the literature on country of origin, cultural orientation of consumers, conspicuous consumption and consumers' national characteristics. This will give a clearer picture of this particular phenomenon and thus provide a significant contribution to the consumer behaviour literature. Next, based on the literature reviewed, a conceptual framework on the effect of cultural orientation and consumers' purchase intentions for US brands is proposed, along with a set of propositions. This is followed by a summary of the main arguments and important theoretical and managerial implications. The last section identifies the limitations of the study along with further directions for research.

Literature review

Country of origin

Country of origin relates to the distinctive features of products that reflect the country's image where it is produced (Papadopoulos and Heslop, 1993). Country of origin is also described as the "made-in" description of a product, thus having the capability to communicate the quality and value of a product to potential customers (Phau and Cheong, 2009). The influence of a product's country of origin on consumers' perceptions and judgements has been widely studied in marketing, consumer behaviour and international business literature. Maheswaran (1994) indicates that consumers use country of origin as an information cue to evaluate a product's quality, especially when consumers are not familiar with a brand or product category or when they are less involved with the product (Hong and Wyer, 1989). Specifically, previous research on the influence of country of origin on product evaluations indicates that consumers often view products produced in developed countries as of better quality than products produced in developing countries (Pappu *et al.*, 2007; Usunier and Cestre, 2008). Nevertheless, socio-economic, demographic and psychographic factors affect attitudes and behaviours of consumers towards imported or domestic goods in developed and emerging markets (Sharma *et al.*, 2006).

Consumers have different perceptions about foreign products. According to Roth and Romeo (1992), product category, knowledge of a certain country and cultural orientation influence purchase decisions. Similarly, Schaefer (1997) indicates that personal consumer characteristics, such as experience and knowledge, and consumers' levels of involvement with a product category are also associated with country of origin. Ahmed and d'Astous (2008) argue that consumers judge products on their intrinsic cues (design, tastes, etc.) and extrinsic cues (warranty, brand, etc.), and, in the situation where consumers are not familiar with a foreign product, they may use indirect cues such as country of origin to evaluate brands and products' attributes to make conclusions about the quality of the product (Spillan *et al.*, 2007). Furthermore, Hong and Wyer (1989) argue that country of origin has emotional and symbolic significance for consumers where a product can be linked with authenticity and status. Further, Alden *et al.* (2006) state that in emerging markets, country of origin acts as an expressive and emotional tool.

Many studies on emerging markets demonstrate that shifts in consumers' preferences are influenced by exposure to Western lifestyles and products, for example,

hedonic consumption from utilitarian consumption (Tse *et al.*, 1989); the perception of foreign products as being of higher quality (Ghose and Lowengart, 2001); and a dependence on the symbolic value of imported goods (Zhou and Hui, 2003). In Latin America, consumers perceive US brands to be of greater quality than national brands (Sharma, 2011). Similarly, Belk (1999) suggested that the portrayal of American lifestyles and products in local media appears to have influenced the desire for expensive imported goods among consumers in Latin America. Almonte *et al.* (1995) indicate that the symbolic value of US products explains why such products are of great importance among Latin American consumers. This is supported by Batra *et al.* (2000) who argue that US products are used to gain or enhance social status in certain product categories associated with conspicuous consumption.

Purchase intentions

Consumers' intentions to purchase particular brands relate to what the brand has to offer in terms of quality, performance and features. Yoo *et al.* (2000) suggest that consumers' perceptions of high quality may be related to the superiority or distinction of a particular brand, therefore motivating them to purchase such a brand over competing brands. Merino and Gonzalez (2008) indicate that Latin American consumers' brand consciousness and receptiveness for normative influences lead them to acquire US brands to achieve social status and to conform to the expectations of others. While some consumers purchase certain brands based on quality, their intention to purchase might be driven by emotional needs as well. Specifically, despite the growing demand for American products, domestic Latin American products are still in highest demand. In fact, Latin American consumers have higher purchase intentions and brand loyalty towards domestic brands than American brands (Ahmed and d'Astous, 2003), as they find they cope better in terms of availability and price competitiveness (Merino and Gonzalez, 2008). To gain insights into these apparent conflicting viewpoints, we now look at the cultural orientation of Latin American consumers towards foreign and domestic products.

Cultural orientation

Consumer ethnocentrism. Consumer ethnocentrism is defined as the belief that it is unpatriotic or immoral to buy imported products, as to do so damages the domestic economy (Shimp and Sharma, 1987). Consumer ethnocentrism has an effect on purchase behaviour, influencing product evaluations and purchase intentions of consumers (Klein, 2002). Specifically, when consumers are ethnocentric, their affection for their country goes beyond economic matters because their culture is part of their identity. In fact, domestic products hold important cultural connotations and national identity, and consumers convey this identity through consumption (Askegaard and Ger, 1998). In other words, ethnocentric consumers are loyal towards goods produced in their home country (Watson and Wright, 2000). Moreover, Yoo and Donthu (2005) argue that consumer ethnocentrism is associated with consumers' evaluations of products, attitude formation and purchase intentions which are part of the consumer decision process; the importance of these relationships will grow in magnitude when consumer ethnocentrism is high.

Additionally, Netemeyer *et al.* (1991) indicate that ethnocentric individuals are more motivated to adopt the positive characteristics of domestic products and disregard the

virtues of foreign products. Shimp and Sharma (1987) found that consumer ethnocentrism, buying intentions and quality evaluations of local products are positively related, whereas evaluations of imported products are negatively related to ethnocentrism. Specifically, research on developed countries such as the USA and European countries shows that consumers in developed markets are highly ethnocentric, having a preference towards domestic goods over imported goods, and tend to overvalue their local products (Shimp and Sharma, 1987). In contrast, consumers in emerging markets are found to be low-ethnocentric, and they particularly overestimate foreign products and undervalue domestic products. Shimp and Sharma (1987) suggest that consumer ethnocentrism is ingrained and influenced in early childhood, and it varies in different cultural contexts.

Essentially, Shimp and Sharma (1987) made possible the measurement of consumer ethnocentrism by developing the “Consumer Ethnocentric Tendencies Scale” (CETSCALE) which consists of 17 items that measure consumers’ behaviour uniformly towards domestic and foreign products. The CETSCALE contains items such as: that [Latin American] consumers should not purchase foreign products because this damages the economy and causes unemployment, thereby being able to determine the level of ethnocentrism in specific cultural settings. Klein and Ettenson (1999) identified that social class is a good indicator of consumer ethnocentrism in Latin America. Particularly, those with low income and without formal education are more ethnocentric than those who grew up with more formal education. Furthermore, Lantz and Loeb (1996) indicate that ethnocentric consumers, as opposed to xenocentric consumers, have more positive attitudes towards domestic products, even from culturally similar countries. For example, ethnocentric Latin American consumers even purchase goods from different countries in Latin America than their own, as they share similar culture, values and language.

Consumer xenocentrism. Several studies have associated country of origin effects with levels of consumer ethnocentrism, but not consumer xenocentrism (Watson and Wright, 2000). Xenocentrism refers to individuals who prefer and value another culture to their own. Kent and Burnight (1951) argued that xenocentrics do not merely have a foreign bias, but in fact present a hostility to their own culture and domestic products. While ethnocentrics are patriotic and perceive cultural virtues where none may exist, xenocentrics see defects where none exists. Furthermore, while consumer xenocentrism is a universal phenomenon, it appears to be generally found in emerging markets such as Latin America (Ger and Belk, 1996), which indicates why little attention has been devoted to this phenomenon.

Some early research defines the construct by using other terms such as “autonomous non-members” (Fishbein, 1963), “renegades” (Singer and Radloff, 1963) and “alienated” (DeLamter *et al.*, 1969). Moreover, Montero (1986) used the term “altercentrism” after investigating several years’ worth of Latin American research findings. This term was used to explain the prevalent and constant over-evaluation of, and preferences for, US culture, and an underestimation of Latin American culture.

Xenocentric behaviour in Latin America is particularly seen when individuals seek to create a positive self-image and sometimes enhance their esteem. The under-evaluation of one’s own culture in favour of another foreign culture is common in emerging markets where uneven economic status is predominant between social classes, and especially when a market is dependent on other economies and experiences cultural imperialism

(Montero, 1986). Similarly, after extensive research on Latin America, Salazar (1983) discovered a pattern where cultural and socioeconomic development had been manipulated by other influential nations such as the USA and where Latin Americans were led to undervalue themselves. A clear example that Bilkey and Nes (1982) provide is that some Latin American manufacturers who distribute their products to the USA and bring them back into their respective countries are likely to promote their products as being “American” because local consumers would willingly purchase foreign products rather than local ones.

Similarly, Kinra (2006) indicates that Latin American entrepreneurs prefer to invest in American franchises rather than to start up a business themselves or invest in a national franchise, seeing that Latin American consumers prefer foreign brands and products over national ones. Specifically, Latin American consumers have more favourable purchase intentions for US brands when they are xenocentric (Sharma, 2011). Kent and Burnight (1951) indicate that foreign advertising in emerging countries is an external pressure that creates xenocentric emotions, and because consumers in emerging countries have less purchasing experience with foreign products, advertising might still bias them to desire foreign products. This phenomenon usually occurs among lower-income Latin Americans who are more susceptible to US advertising. Schultz *et al.* (1994) support this view by stating that powerful advertising of the good life, images of American consumption and exposure to ostensibly affluent tourists increases the development of a mistaken stereotype about American development. In the same way, studies of Belk (1988) on emerging markets show that Western brand preferences often replace domestic products, even when these are objectively better in quality and less expensive. Ger and Belk (1996) state that the battle between foreign elegance, prestige and cosmopolitanism and local unattractiveness and simplicity is predominant in emerging markets, and this attitude persuades consumers in favour of foreign products.

Nevertheless, foreign product bias can be beneficial at times, as it accentuates the weaknesses of domestic systems and encourages domestic businesses to produce better products that are market-oriented. Consumer preferences for foreign goods may also provide individuals with access to symbolic and technological resources for building their own uniqueness. Foreign bias might also lead to a greater appreciation of one’s own culture and traditions. However, Mueller and Broderick (2009) contend that while foreign bias may bring some positive consequences, consumer xenocentrism negatively affects manufacturers of emerging markets who attempt to overcome quality concerns by radically changing promotional strategies and reducing prices dramatically.

Conspicuous consumption

A willingness to pay premium prices for products of equal performance is aimed to generate significantly more status than direct functionality (Veblen, 1899). Particularly, Mason (2001) indicates that the purchase of foreign goods over domestic goods is viewed as more conspicuous, even if their functionality is equivalent to domestic goods. Furthermore, consumers in emerging markets acquire hedonic consumption attitudes more rapidly than in North America and Europe (Belk, 1999). This occurs more in emerging markets such as Latin America because of the prestige and status attached to the possession of foreign goods (Eastman *et al.*, 1997). Similarly, Mason (2001) suggests that individuals who purchase conspicuous goods do so to imitate consumption patterns

of the developed markets. Similarly, [Bath and James \(1976\)](#) show that affluent Latin Americans, consume more conspicuously than North Americans, as Latin American consumers tend to imitate buying behaviours of social groups they want to belong to ([Dholakia and Talukdar, 2004](#)). Similarly, [Maddison \(1986\)](#) argues that US corporations promote conspicuous consumption of non-essentials and persuade Latin Americans to follow the differentiated consumption patterns of developed markets and thus increase the demands for foreign goods. [Clarke \(1989\)](#) thus argues that consumers should be restricted from being exposed to advertisements that promote conspicuous consumption, especially adolescents and those with lower incomes.

Furthermore, [Eastman *et al.* \(1997\)](#) indicate that materialism, a variable of the conspicuous consumption theory relates to the greater importance consumers attach to their possessions. The authors further suggest that materialism is positively related to status consumption, where individuals display their positions and which represent status in their pertinent social groups. The display of status was first investigated by [Veblen \(1899\)](#) in his “Theory of the Leisure Class”, which proposes that individuals provoke envy in others through the display of products and wealth. [Mason \(1981\)](#) later developed this theory into the “status consumption” concept, which indicates that individuals display personal status through the consumption of luxury products. Similarly, [Eastman *et al.* \(1999\)](#) describe status consumption as the process by which people endeavour to improve their social status by consuming products that symbolise and communicate prestige.

In most of Latin America, premium brands divide the affluent from the poor. For example, studies by [Byrne \(1994\)](#) showed that affluent Mexican consumers display status through the exaggerated consumption of US brands more than any other country in Latin America. The best manner to portray status and power is through the consumption of expensive imported goods. The acquisition of US products may signify higher levels of materialism for Latin American consumers, helping them to portray status and impress others ([Cleveland *et al.*, 2009](#)). Moreover, [Byrne \(1994\)](#) argues that in the rest of Latin America, other prestigious European brands are highly popular for the display of status, and many of these brands use advertising only in the English language for added prestige and regard.

Consumers’ national characteristics

In general, there is a common perception that Latin America is homogeneous. In fact, some scholars ([Gillin, 1954](#); [Davis, 1969](#); [House *et al.*, 2004](#)) suggest the existence of a common Latin American culture, and others ([Olien, 1973](#)) refer to common characteristics of Latin American tradition. Recent studies have examined the impact of consumers’ national characteristics in a business context ([Harjanto and Gaur, 2011](#)). While cultural determinants have a significant influence on the purchase intentions of consumers, one must ask if it is realistic to assume that all Latin American consumers are to be considered as a homogeneous entity.

On the other hand, some studies highlight the cultural differences among Latin American regions which speak different languages and have different backgrounds ([Rivera, 1978](#)). [Lenartowicz and Johnson \(2003\)](#) reviewed literature on cultural groupings in the Latin American region and proposed six broad cultural groupings, namely, the Southern Cone (Argentina, Chile, Paraguay and Uruguay); the Andean nations (Bolivia, Ecuador and Peru); and Northern South America (Colombia and

Venezuela), with the remaining three groups consisting of the single countries of Brazil, Mexico and Puerto Rico. Further, these differences are so profound that people in this region do not consider themselves as “Latin Americans” but as Mexicans, Colombians and Brazilians, etc. due to the unique history and geography that contribute to the culture of its people (Albert, 1996). For example, Mexicans and Puerto Ricans, due to their proximity to the USA, are more exposed to the US lifestyle compared to others countries.

In spite of clear cultural differences within Latin America, countries in this region, in general, have some cultural similarities. That is why Latin American countries tend to score similarly on cultural dimensions in studies conducted by Hofstede (1980) and Ronen and Shenkar (1985) suggesting that people in this region share certain cultural features. For example, in Hofstede’s (1980) individualism scores, Latin American countries were ranked from 22 to 53 out of 53 countries studied. In fact, five countries with the lowest individualism scores were all from Latin America. This implies that Latin American countries are collectivist in their orientation, and the family is found to be the primary group in society. From the consumers’ perspective, purchase decisions would depend on a number of factors. Being collectivist or group-oriented cultures, many of the purchase decisions are likely to be influenced by social norms, values, behaviour and even obligations.

Clearly, the relevant literature throws up diverging findings about whether Latin American consumers form a common cultural grouping. While Hofstede (1980), Ronen and Shenkar (1985) and House *et al.* (2004) point to the similarity of cultures in the Latin American countries, others (Albert, 1996; Lenartowicz and Johnson, 2003) highlight the differences among countries’ cultures. Some scholars (Littrell, 2012) even question the existence of consistent national cultures. However, cultures do not change in the short run. Taking into consideration that differences between national cultures do exist at a given point of time, it is reasonable to expect such differences to influence consumers’ choices.

Conceptual framework and propositions

The proposed conceptual framework below consists of various constructs such as consumer ethnocentrism, consumer xenocentrism and conspicuous consumption. This conceptual framework is shown in Figure 1.

The conceptual framework proposes that cultural orientation of consumers influences purchase intentions towards US brands. Specifically consumer ethnocentrism and consumer xenocentrism are the independent variables in the models. Furthermore, it illustrates that conspicuous consumption is the moderating variable in the relationship between consumer xenocentrism and purchase intentions towards US brands. The first proposition focuses on the relationship between consumer ethnocentrism and intention to purchase US brands. Although Latin American consumers overestimate foreign products and undervalue domestic ones, Ahmed and d’Astous (2003) point out that Latin American consumers have higher purchase intentions and brand loyalty towards domestic goods than US goods, seeing that domestic goods cope better in terms of availability and price competitiveness (Merino and Gonzalez, 2008). Therefore, it is proposed that ethnocentric Latin American consumers are more likely to purchase domestic brands rather than US brands. More formally:

P1. Consumer ethnocentrism is negatively related to Latin American consumers' purchase intentions towards US brands.

The second proposition addresses the relationship between consumer xenocentrism and intention to purchase US brands. Here, xenocentric consumers in developing countries have higher preferences for foreign products from developed countries and also perceive that US brands represent status and prestige. It is therefore proposed that xenocentric Latin American consumers are more likely to purchase US brands rather than domestic products. Thus:

P2. Consumer xenocentrism is positively related to Latin American consumers' purchase intentions towards US brands.

The third proposition addresses the relationship between conspicuous consumption and purchase intention towards US brands among Latin American consumers. As discussed, conspicuous consumption is the process by which people endeavour to improve their social status by consuming products that symbolise and communicate prestige (Eastman *et al.*, 1999). Therefore, it is proposed that this relationship will be positive. Thus, it can be proposed that conspicuous consumption positively moderates the purchase intentions of Latin American consumers towards US brands. More formally:

P3. Conspicuous consumption positively moderates the relationship between Latin American consumers' xenocentrism and their purchase intentions towards US brands.

The final proposition addresses the impact of consumers' national characteristics on the purchase intentions of Latin American consumers. While there are some common cultural dimensions among Latin American countries (Olien, 1973, Ronen and Shenkar, 1985), it is unrealistic to consider Latin American consumers as a homogeneous group. Albert (1996) explains how countries in Latin America vary significantly; among them, people think of their respective countries rather than Latin America. As such, we expect these national characteristics of consumers to impact on how the cultural dimensions of ethnocentrism and xenocentrism would influence the purchase intentions of Latin American consumers towards US brands.

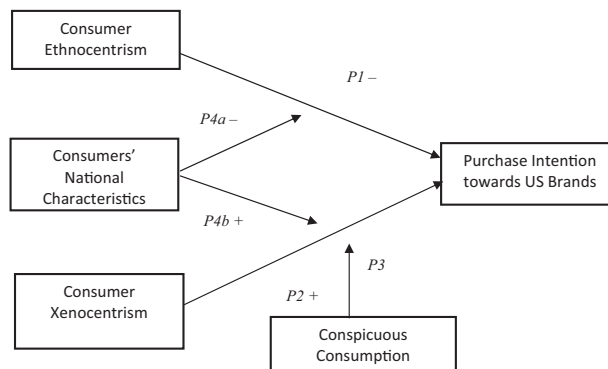


Figure 1. Conceptual framework: the effects of consumers' cultural orientation, national characteristics and conspicuous consumption on their intentions to purchase US brands

Hence, the following propositions are offered:

- P4a.* Consumers' national characteristics are posited to moderate the negative relationship between consumer ethnocentrism and the Latin American consumers' purchase intentions towards US brands.
- P4b.* Consumers' national characteristics are posited to moderate the positive relationship between consumer xenocentrism and the Latin American consumers' purchase intentions towards US brands.

General discussion

This study has reconciled disparate theories from the prior literature review to identify how Latin Americans' cultural orientation influences their preferences for foreign brands over domestic ones. First, this paper covered the country of origin construct, which it described as the "made in" description of a product, and which has the capability to communicate the quality and value of a product to consumers (Phau and Cheong, 2009). The influence of a product's country of origin on consumers' perception and judgements has been widely studied in the marketing, consumer behaviour and international business literature. However, there is a lack of research on the effects of country of origin on consumers' purchase behaviour, including purchase intentions. Nevertheless, through the study of consumers' cultural orientations, focusing particularly on consumer ethnocentrism and xenocentrism, it was possible to determine that consumers have different perceptions about foreign and domestic brands and products, depending on the cultural orientation consumers follow (Roth and Romeo, 1992).

Precisely, when consumers are ethnocentric, their affection for their country goes beyond economic matters because their culture is part of their identity; in fact, domestic products hold important cultural connotations and national identity, and consumers convey this identity through consumption (Askegaard and Ger, 1998). Shimp and Sharma (1987) suggest that consumer ethnocentrism is ingrained and influenced in early childhood, and it varies in different cultural contexts. Moreover, Lantz and Loeb (1996) indicate that ethnocentric consumers, as opposed to xenocentric consumers, have more positive attitudes towards domestic products, even from culturally similar countries. However, there is little research on how ethnicity impacts on consumer ethnocentrism (Yoo and Donthu, 2005). Nevertheless, it was proposed that ethnocentric Latin American consumers restrain themselves from purchasing US brands due to their devotion to cultural values and national identity. This proposition is supported by previous studies of Ahmed and d'Astous (2003) and Merino and Gonzalez (2008) who indicate that, despite the growing demand for American products in Latin America, domestic products are still in high demand, seeing that they cope better in terms of availability and price competitiveness.

In contrast, xenocentrism acts as a mediator that persuades some consumers to become attached to foreign brands and products, even when local ones are of equal, and sometimes of better, quality and functionality. Despite the growing interest in research related to consumers' buying intentions, attitudes and perceptions based on product's country of origin, the understanding of consumer xenocentrism is limited, and there have been persistent demands for further investigation. Consumer xenocentrism is a universal phenomenon and it appears to be generally found in emerging markets such

as Latin America (Ger and Belk, 1996), which indicates why little attention has been devoted to this phenomenon. Hence, it was proposed that xenocentric Latin American consumers have favourable purchase intentions towards US brands as opposed to domestic ones. In line with this proposition, several studies suggest that Latin American consumers purchase US brands to gain or enhance social status in certain product categories associated with conspicuous consumption (Mason, 2001; Sharma, 2011; Almonte *et al.*, 1995), thereby bridging the gap between the consumer xenocentrism construct and the literature in consumer behaviour.

Furthermore, the third proposition indicated that conspicuous consumption influences Latin American consumers' intentions to purchase US brands over domestic ones. In support of this proposition, Veblen (1899) states that the willingness to pay premium prices for products of equal performance exists because their purchase intentions are aimed to generate significantly more status than direct functionality. Similarly, the purchase of foreign goods is viewed as more conspicuous than private, as their functionality is equivalent to domestic goods (Mason, 2001). Likewise, conspicuous consumption towards US brands helps Latin American consumers to portray status and impress others (Cleveland *et al.*, 2009).

Theoretical and practical implications

This conceptual paper has provided a valuable insight into how consumers' cultural orientation affects their consumer ethnocentrism and xenocentrism; especially, it examines how a consumer's cultural orientation relates to favourable evaluations of domestic (versus foreign) products. The inclusion of conspicuous consumption and consumers' national characteristics as moderating variables recognises the fact that Latin American consumers are not homogeneous, but vary significantly. While there are some common cultural characteristics as seen from studies by Hofstede (1980) and Ronen and Shenkar (1985), some studies have shown the existence of significant differences (Lenartowicz and Johnson, 2003). We are aware that some countries have been more exposed than others to the US influence over the years, and that impacts on the consumers' national characteristics. However, we are unable to predict the direction and the magnitude of this influence, which requires empirical testing. This paper contributes to the growing body of research on consumer orientations and country-of-origin effects, providing a better interpretation of consumer behaviour in international and domestic markets. In the same way, this paper has contributed to the marketing literature in the field of consumer behaviour, advertising and international business (Fastoso and Whitelock, 2011). Importantly, the concept of xenocentrism has provided an alternative framework for interpreting and understanding Latin American consumers' behaviours, and this can be also be applied when examining the consumer behaviour of diverse ethnicities and cultures.

In addition to its theoretical contribution, this study also presents some important business implications for both domestic and international marketers. Specifically, understanding the cultural orientation of consumers is highly important for marketers when undertaking marketing and segmentation strategies. Earlier research clearly pointed out that differences in values do affect consumer behaviour (Vinson *et al.*, 1977; Kamakura and Mazzon, 1991). Also, given our understanding that Latin American consumers are not homogeneous and vary across countries on cultural values, a one-size-fits-all approach would be inappropriate. Therefore, marketing managers have

to consider the national cultures of consumers in each Latin American country and package their product offerings accordingly.

Similarly, managers should consider consumer ethnocentrism and xenocentrism when making branding decisions (Klein, 2002). For example, by understanding consumer ethnocentrism, Latin American companies should minimise the foreign components in their marketing mix, such as packaging and promotions. They may also need to further invest in their products to improve their quality, differentiation and brand image, as well as using local manufacturing as much as possible so that xenocentric consumers become more educated as regards their own culture and start appreciating their national identity. On the other hand, international marketers should differentiate themselves through media campaigns and public relations efforts to mitigate ethnocentrism among consumers by taking specific steps such as contributing to the local economies by providing employment. All these efforts may not entirely avoid the negative impact of consumer ethnocentrism or xenocentrism on the demand for either foreign or domestic products, but their negative effects may be mitigated to some extent.

Limitations and further research

Although this paper contributes to the marketing literature in several ways, there are some limitations that are worth mentioning for further research. First, this paper has solely examined high levels of consumer ethnocentrism and xenocentrism, ignoring moderate and low levels of intensity. Low ethnocentrism refers to when a consumer is not concerned about their interaction with other cultures and may purchase foreign products; additionally, a consumer with moderate ethnocentrism diminishes contact with other cultures, but buys foreign products only in specific circumstances. The same definition can be related to xenocentrism in a reversed manner. Low consumer xenocentrism is when consumers prefer foreign products but perceive domestic products as more convenient and inexpensive, and consumers with moderate xenocentrism levels prefer foreign products, but still purchase domestic products such as convenience goods and other necessities. Thus, it would be interesting to examine how different levels of consumer ethnocentrism and xenocentrism among Latin American consumers and among other ethnicities and cultures influence attitudes and behaviours towards foreign and domestic brands and products.

Another limitation of this study is that it has generalised all Latin American countries into one general and homogeneous perspective. Regardless of the geographical proximity of Latin American countries, there are many behavioural and cultural differences across the nations, seeing that individuals residing in different cultural settings are influenced by different factors. This is especially important to international marketers who want to create valuable advertising campaigns. Zbar (1994) indicates that one common mistake of US companies is failing to recognise the diverse culture and different patterns of consumption within Latin America that may lead to unsuccessful marketing operations, as different countries require specific advertising strategies. Consequently, further research should attempt to investigate the impact of the USA on different Latin American countries, and identify specific consumerism patterns across populations in Latin America.

Regarding further research, we believe that the proposed conceptual framework can provide the basis for empirical studies. In addition, scholars should examine other

moderators that pertain to this study, including national identity and consumer demographics such as age and sex which could have a strong effect on the purchase intentions towards foreign and domestic brands. Lastly, further study on consumer ethnocentrism and xenocentrism among immigrants would be valuable to investigate in order to better comprehend how ethnocentric or xenocentric buying behaviours for goods from the new host country and the original host country take place. In other words, a further avenue for research would be whether ethnocentrism or xenocentrism would become less or more perceptible as the socialisation process begins in the form of consumer acculturation.

References

- Ahmed, S.A. and d'Astous, A. (2008), "Antecedents, moderators and dimensions of country-of-origin evaluations", *International Marketing Review*, Vol. 25 No. 1, pp. 75-106.
- Albert, R.D. (1996), "A framework and model for understanding Latin American and Latin/Hispanic cultural patterns", in Landis, D. and Bhagat, R. (Eds), *Handbook of Intercultural Training*, 2nd ed., Sage Publication, Thousand Oaks, CA, pp. 327-348.
- Alden, D.L., Steenkamp, J.B.E.M. and Batra, R. (2006), "Consumer attitudes toward marketplace globalization: structure, antecedents and consequences", *International Journal of Research in Marketing*, Vol. 23 No. 3, pp. 227-239.
- Almonte, J., Falk, C., Skaggs, R. and Cardenas, M. (1995), "Country of origin bias among high-income consumers in Mexico: an empirical study", *Journal of International Consumer Marketing*, Vol. 8 No. 2, pp. 27-44.
- Amine, L.S., Chao, M.C.H. and Arnold, M. (2005), "Executive insights: exploring the practical effects of country of origin, animosity, and price-quality issues: two case studies of Taiwan and Acer in China", *Journal of International Marketing*, Vol. 13 No. 2, pp. 114-150.
- Askegaard, S. and Ger, G. (1998), "Product-country images: towards a contextualized approach", *European Advances in Consumer Research*, Vol. 3 No. 1, pp. 50-58.
- Bath, C.R. and James, D.J. (1976), "Dependency analysis of Latin America: some criticisms, some suggestions", *Latin American Research Review*, Vol. 11 No. 3, pp. 3-54.
- Batra, R., Ramaswamy, V., Alden, D.L., Steenkamp, J.E.B.M. and Ramachander, S. (2000), "Effects of brand local and nonlocal origin on consumer attitudes in developing countries", *Journal of Consumer Psychology*, Vol. 9 No. 2, pp. 83-95.
- Belk, R.W. (1988), "Third world consumer culture in research in marketing", in Kumcu, E. and Firat, A.F. (Eds), *Marketing Development: Toward a Broader Dimension*, JAI Press, Greenwich, CT, pp. 103-127.
- Belk, R.W. (1999), "Leaping luxuries and transitional consumers", in Batra, R. (Ed.), *Marketing Issues in Transition Economies*, Kluwer Academic Press, Boston, MA, pp. 41-54.
- Bilkey, W. and Nes, E. (1982), "Country-of-origin effects on product evaluations", *Journal of International Business Studies*, Vol. 13 No. 1, pp. 89-99.
- Bos, C.A. (1994), "The road to Mexico", *Target Marketing*, Vol. 17 No. 4, pp. 48-59.
- Burgess, S.M. and Steenkamp, J.B.E.M. (2006), "Marketing renaissance: how research in emerging markets advances marketing science and practice", *International Journal of Research in Marketing*, Vol. 23 No. 4, pp. 337-356.
- Byrne, E. (1994), "Mexican consumers & their appetites", *Business Mexico*, Vol. 4 No. 5, p. 16.
- Callahan, F.X. (1986), "Advertising and economic development", *International Journal of Advertising*, Vol. 5 No. 3, pp. 215-224.

- Cannon, H.M. and Yaprak, A. (2002), "Will the real world citizen please stand up! The many faces of cosmopolitan consumer behavior", *Journal of International Marketing*, Vol. 10 No. 4, pp. 30-52.
- Clarke, E. (1989), *The Want Makers: The World of Advertising: How They Make You Buy*, Viking Press, New York, NY.
- Cleveland, M., Laroche, M. and Papadopoulos, N. (2009), "Cosmopolitanism, consumer ethnocentrism, and materialism: an eight country study of antecedents and outcomes", *Journal of International Marketing*, Vol. 17 No. 1, pp. 116-146.
- Davis, S.M. (1969), "United States versus Latin America: business and culture", *Harvard Business Review*, Vol. 47 No. 6, pp. 88-98.
- DeLamter, J., Katz, D. and Kelman, H. (1969), "On the nature of national involvement: a preliminary study", *The Journal of Conflict Resolution*, Vol. 13 No. 3, pp. 320-357.
- Dholakia, U.M. and Talukdar, D. (2004), "How social influence affects consumption trends in emerging markets: an empirical investigation of the consumption convergence hypothesis", *Psychology & Marketing*, Vol. 21 No. 10, pp. 775-797.
- Eastman, J.K., Fredenberger, B., Campbell, D. and Calvert, S. (1997), "The relationship between status consumption and materialism: a cross-cultural comparison of Chinese, Mexican, and American students", *Journal of Marketing Theory and Practice*, Vol. 5 No. 1, pp. 52-65.
- Eastman, J.K., Goldsmith, R.E. and Flynn, L.R. (1999), "Status consumption in consumer behavior: scale development and validation", *Journal of Marketing Theory and Practice*, Vol. 7 No. 3, pp. 41-52.
- Fastoso, F. and Whitelock, J. (2011), "Why is so little marketing research on Latin America published in high quality journals and what can we do about it?", *International Marketing Review*, Vol. 28 No. 4, pp. 435-449.
- Fishbein, M. (1963), "The perception of non-members: a test of Merton's reference group theory", *Sociometry*, Vol. 26 No. 3, pp. 271-289.
- Ger, G. and Belk, R.W. (1996), "I'd like to buy the world a coke: consumptions capes of the less affluent world", *Journal of Consumer Policy*, Vol. 19 No. 3, pp. 271-304.
- Ghose, S. and Lowengart, O. (2001), "Perceptual positioning of international, national and private brands in a growing international market: an empirical study", *Journal of Brand Management*, Vol. 9 No. 1, pp. 45-62.
- Gillin, J. (1954), *For A Science of Social Man: Convergence in Anthropology, Psychology, and Sociology*, MacMillan, New York, NY.
- Harjanto, H. and Gaur, S.S. (2011), "Intercultural interaction and relationship selling in the banking industry", *Journal of Service Research*, Vol. 11 No. 1, pp. 101-119.
- Hofstede, G. (1980), *Culture's Consequences: International Differences in Work-Related Values*, Sage, Newbury, CA.
- Hong, S.T. and Wyer, R.S. Jr (1989), "Effects of country of origin and product attribute information on product evaluation: an information processing perspective", *Journal of Consumer Research*, Vol. 16 No. 2, pp. 175-187.
- House, R.J., Hanges, P.J., Javidan, M., Dorfman, P.W. and Gupta, V. (2004), *Leadership, Culture, and Organizations: The GLOBE Study of 62 Societies*, Sage Publications, Thousand Oaks, CA.
- International Monetary Fund (2010), "GDP statistics", available at: www.imf.org/external/pubs/ft/weo/2010/01/weodata/index.aspx

- Janus, N. (1986), "Transnational advertising: some considerations of the impact on peripheral societies", in Atwood, R. and McAnany, E. (Eds), *Communication and Latin American Society: Trends in Critical Research*, University of Wisconsin Press, Madison, WI, pp. 127-142.
- Kamakura, W.A. and Mazzon, J.A. (1991), "Value segmentation: a model for the measurement of values and value system", *Journal of Consumer Research*, Vol. 18 No. 2, pp. 208-218.
- Kaynak, E. (1989), "How Chinese buyers rate foreign suppliers", *Industrial Marketing Management*, Vol. 18 No. 3, pp. 187-198.
- Kent, D.P. and Burnight, R.G. (1951), "Group centrism in complex societies", *American Journal of Sociology*, Vol. 57 No. 3, pp. 256-259.
- Kinra, N. (2006), "The effect of country of origin on foreign brand names in the Indian market", *Marketing Intelligence & Planning*, Vol. 24 No. 1, pp. 15-30.
- Klein, J.G. (2002), "Us versus them, or us versus everyone? Delineating consumer aversion to foreign goods", *Journal of International Business Studies*, Vol. 33 No. 2, pp. 345-363.
- Klein, J.G. and Ettenson, R.E. (1999), "Consumer animosity and consumer ethnocentrism: an analysis of unique antecedents", *Journal of International Consumer Marketing*, Vol. 11 No. 4, pp. 5-24.
- Lantz, G. and Loeb, S. (1996), "Country of origin and ethnocentrism: an analysis of Canadian and American preferences using social identity theory", *Advances in Consumer Research*, Association for Consumer Research, Provo, UT, Vol. 23, pp. 374-378.
- Lenartowicz, T. and Johnson, J.P. (2003), "A cross-national assessment of the values of Latin America managers: contrasting hues or shades of gray?", *Journal of International Business Studies*, Vol. 34 No. 3, pp. 266-281.
- Littrell, R.F. (2012), "Clustering national cultures: a fallacy, or not, or not always?", *Proceedings of the Academy of International Business 2012 Annual Meeting, Washington, DC, 30 June-3 July*.
- Maddison, A. (1986), "Economic performance and policy in Latin American and OECD Countries 1938-1985: a comparative analysis", in Maddison, A. (Ed.), *Latin America, The Caribbean and the OECD: A Dialogue on Economic Reality and Policy Options*, Development Centre of the Organization for Economic Co-operation and Development, Paris, pp. 11-27.
- Maheswaran, D. (1994), "Country of origin as a stereotype: effects of consumer expertise and attribute strength on product evaluations", *Journal of Consumer Research*, Vol. 21 No. 2, pp. 354-365.
- Mason, R.S. (1981), *Conspicuous Consumption: A Study of Exceptional Consumer Behaviour*, Gower Publishing, Farnborough.
- Mason, R.S. (2001), "Conspicuous consumption: a literature review", *European Journal of Marketing*, Vol. 18 No. 3, pp. 26-39.
- Mattos, S. (1980), "The impact of Brazilian military government on the development of television in Brazil", Unpublished Master's Thesis, University of Texas, Austin.
- Merino, M. and Gonzalez, S. (2008), "Global or local? Consumers' perception of global brands in Latin America", *Latin American Advances in Consumer Research*, Vol. 2 No. 1, pp. 16-21.
- Montero, M. (1986), "Political psychology in Latin America", in Hermann, M.G. (Ed.), *Political Psychology*, Jossey-Bass Publishers, San Francisco.
- Mueller, R.D. and Broderick, A.J. (2009), *Consumer Xenocentrism: An Alternative Explanation for Foreign Product Bias [working paper]*, College and University of Charleston, Charleston, SC.

- Netemeyer, R.G., Durvasula, S. and Lichtenstein, D.R. (1991), "A cross-national assessment of the reliability and validity of the CETSCALE", *Journal of Marketing Research*, Vol. 28 No. 3, pp. 320-327.
- Ogden, D.T., Ogden, J.R. and Schau, H.J. (2004), "Exploring the impact of culture and acculturation on consumer purchase decisions: towards a microcultural perspective", *Academy of Marketing Science Review*, Vol. 3 No. 1, pp. 1-22.
- Olien, M.D. (1973), *Latin Americans: Contemporary Peoples and Their Cultural Traditions*, Holt, Reinhart and Winston, New York, NY.
- Oliveira, O.S. (1986), "Satellite TV and dependency: an empirical approach", *Gazette*, Vol. 38 No. 1, pp. 127-145.
- Papadopoulos, N. and Heslop, L.A. (1993), *Product Country Images: Impact and Role in International Marketing*, International Business Press, New York, NY.
- Pappu, R., Quester, P.G. and Cooksey, R.W. (2007), "Country image and consumer-based brand equity: relationships and implications for international marketing", *Journal of International Business Studies*, Vol. 38 No. 4, pp. 726-745.
- Peterson, R.A. and Jolibert, A.J.P. (1995), "A meta-analysis of country-of-origin effects", *Journal of International Business Studies*, Vol. 26 No. 4, pp. 883-900.
- Phau, I. and Cheong, E. (2009), "How young adult consumers evaluate diffusion brands: effects of brand loyalty and status consumption", *Journal of International Consumer Marketing*, Vol. 21 No. 2, pp. 109-123.
- Pollay, R.W. (1986), "The distorted mirror: reflections on the unintended consequences of advertising", *Journal of Marketing*, Vol. 50 No. 1, pp. 18-36.
- Rivera, J. (1978), *Latin America: A Sociocultural Interpretation*, Irvington, New York, NY.
- Ronen, S. and Shenkar, O. (1985), "Clustering countries on attitudinal dimensions: a review and synthesis", *Academy of Management Review*, Vol. 10 No. 3, pp. 435-454.
- Roth, M.S. and Romeo, J.B. (1992), "Matching product category and country image perceptions: a framework for managing country-of-origin effects", *Journal of International Business Studies*, Vol. 23 No. 3, pp. 477-497.
- Salazar, J. (1983), "Psychological basis for nationalism Mexico", in Hermann, M.G. (Ed.), *Political Psychology in Latin America*, Jossey-Bass Publishers, San Francisco.
- Schaefer, A. (1997), "Consumer knowledge and country of origin effects", *European Journal of Marketing*, Vol. 31 No. 1, pp. 56-72.
- Schultz, C.J., Belk, R.W. and Ger, G. (1994), *Research in Consumer Behavior: Consumption in Marketizing Economies*, JAI Press, Greenwich.
- Sharma, P. (2011), "Country of origin effects in developed and emerging markets: exploring the contrasting roles of materialism and value consciousness", *Journal of International Business Studies*, Vol. 42 No. 2, pp. 285-306.
- Sharma, P., Chung, C.M.Y., Erramilli, M.K. and Sivakumaran, B. (2006), "Challenges of marketing to Asian consumers: exploring the influence of different cultures, life styles and values on consumer behaviour in Asia", in Yeung, H.W.C. (Ed.), *The Handbook of Research on Asian Business*, Edward Elgar, Cheltenham, pp. 125-143.
- Shimp, T. and Sharma, S. (1987), "Consumer ethnocentrism: construction and validation of the CETSCALE", *Journal of Marketing Research*, Vol. 24 No. 3, pp. 280-289.
- Singer, J.E. and Radloff, L.S. (1963), "Renegades, heretics, and changes in sentiment", *Sociometry*, Vol. 26 No. 2, pp. 178-189.

- Spillan, J.E., Kucukemiroglu, O. and Harcar, T. (2007), "Consumer perceptions of foreign products: an analysis of product country images and ethnocentrism in Guatemala", *The Business Review*, Cambridge, Vol. 8 No. 1, pp. 283-289.
- Straubhaar, J.D. and Viscasillas, G.M. (1991), "Class, genre, and the regionalization of television programming in the Dominican Republic", *Journal of Communication*, Vol. 41 No. 1, pp. 53-69.
- Tansey, R. and Hyman, M.R. (1994), "Dependency theory and the effects of advertising by foreign-based multinational corporations in Latin America", *Journal of Advertising*, Vol. 23 No. 1, pp. 27-37.
- Tse, D.K., Belk, R.W. and Zhou, N. (1989), "Becoming a consumer society: a longitudinal and cross-cultural content analysis of print ads from Hong Kong, the People's Republic of China, and Taiwan", *Journal of Consumer Research*, Vol. 15 No. 4, pp. 457-472.
- Usunier, J.C. and Cestre, G. (2008), "Further considerations on the relevance of country of origin research", *European Management Review*, Vol. 5 No. 4, pp. 271-274.
- Veblen, T.B. (1899), *The Theory of the Leisure Class*, Modern Library, New York, NY.
- Verlegh, P.W.J. (2007), "Home country bias in product evaluation: the complementary roles of economic and socio-psychological motives", *Journal of International Business Studies*, Vol. 38 No. 3, pp. 361-373.
- Vinson, D.E., Scott, J.E. and Lamont, L.M. (1977), "The role of personal values in marketing and consumer behavior", *Journal of Marketing*, Vol. 41 No. 2, pp. 44-50.
- Watson, J.J. and Wright, K. (2000), "Consumer ethnocentrism and attitudes toward domestic and foreign products", *European Journal of Marketing*, Vol. 34 No. 9, pp. 1149-1166.
- Yoo, B. and Donthu, N. (2005), "The effect of personal cultural orientation on consumer ethnocentrism: evaluations and behaviors of US consumers toward Japanese products", *Journal of International Consumer Marketing*, Vol. 18 No. 1, pp. 7-44.
- Yoo, B., Donthu, N. and Lee, S. (2000), "An examination of selected marketing mix elements and brand equity", *Journal of the Academy of Marketing Science*, Vol. 28 No. 2, pp. 195-211.
- Zbar, J.D. (1994), Walls abound, but links to Latin America grow shops see fertile ground in Mexico, Chile, Argentina, Colombia & The Dominican, *Advertising Age*, Vol. 65 No. 4, 24 January, available at: <http://adage.com/article/news/walls-abound-links-latin-america-grow-shops-fertile-ground-mexico-chile-argentina-colombia-dominican/88701/>
- Zhou, L. and Hui, M.K. (2003), "Symbolic value of foreign products in the people's Republic of China", *Journal of International Marketing*, Vol. 11 No. 2, pp. 36-58.

Corresponding author

Hanoku Bathula can be contacted at: hanoku@outlook.com

For instructions on how to order reprints of this article, please visit our website:

www.emeraldgrouppublishing.com/licensing/reprints.htm

Or contact us for further details: permissions@emeraldinsight.com