



RAJARATA UNIVERSITY OF SRI LANKA
MIHINTALE

**IMPACT OF CONSUMER ETHNOCENTRISM,
BELIEF ABOUT FOREIGN PRODUCTS AND QUALITY CONSCIOUSNESS
ON PRODUCT EVALUATION AND WILLINGNESS TO BUY: WITH
SPECIAL REFERENCE TO THE BUYING BEHAVIOR OF
SRI LANKAN CONSUMERS**

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Abstract

Since the economy of Sri Lanka liberalized in 1977, the country is continuously being attracted by the foreign investors and marketers. Since then foreign products started to flow in to the country diluting the value of local products and draining the foreign exchange. Globalization is simultaneously impacted the locally manufactured products and finally resulted in eroding the much scares foreign exchange of the country. In such a situation being loyal to the country and the products it produces is of important fact to consider.

Consumer ethnocentrism is defined (Shimp and Sharma 1987, p. 280) as "the beliefs held by consumers about the appropriateness, indeed morality, of purchasing foreign-made products." Consumers who are ethnocentric believe that purchasing imported products is unpatriotic, causes loss of jobs, and hurts the domestic economy. Consumers who are non-ethnocentric judge foreign products on their merits without consideration of where these products are made.

Consumers foreign product purchase behavior is stimulated by Ethnocentrism, Belief about foreign products and consumer's quality consciousness. This study attempts to explain the significance of the impact triggered by the above factors on consumer's product evaluation and willingness to purchase. Additionally the relationship between consumer ethnocentrism and consumer's attitudes towards foreign manufactured products in product categories in which domestic alternatives are available is also attempted to ascertain. Moreover the degree of ethnocentrism of Sri Lankan consumers and its relationship with socio demographic variables, quality consciousness and belief about foreign products were also endeavored to explain.

Study was conducted in the out skirts of Kiribthgoda in the city of Siyambalape and the electoral registry of the city was used to systematically draw the sample. Multiple regression was used to measure the impact of three independent variables on product evaluation.

Results of the study suggest that the consumer ethnocentrism significantly impacts the consumer's product evaluation in favor of locally manufactured products in circumstances where foreign products are also available. It was found that the ethnocentrism and the foreign product evaluation are inversely related and

importantly there was no significant relationship found with the degree of ethnocentrism of Sri Lankan consumers and their quality consciousness. Quality is the single most important variable found independent of Ethnocentrism. Similarly the demographic factors found independent of ethnocentrism and belief about foreign products and ethnocentrism establishes the fact that they are inversely related.

Ethnocentric feelings have its own vigor to influence positive domestic product evaluation. Hence it is acclaimed to creatively rip a communication campaign embedded with heighten ethnocentric feelings to direct the consumers to purchase domestically manufactured products, which is otherwise seen hidden in consumer's sub conscious.

Key Words:

Consumer Ethnocentrism, Quality Consciousness, Purchase Intent, Willingness to Buy, Belief about foreign Product, Patriotism, Product Evaluation.

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