

## The Trends of Indonesian Consumer Ethnocentrism as a Reference for International Marketer

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**Abstract:** The study aims to conclude and analyze the trends of ethnocentrism of Indonesian consumer for Foreign branded hotel in Indonesian which is determined by applying Consumer Ethnocentric Tendencies Scale (CETSCALE). The study reviewed the literatures that were related to the concept of ethnocentrism. CETSCALE that was developed by Shimp and Sharma (1987) was adopted to measure the high or low level of consumer ethnocentrism toward Foreign branded hotel. Before applying CETSCALE as ethnocentric measurement, the scale of reliability was determined. The information that was obtained from the sample was analyzed using SPSS 16.0. The result of the investigation showed that CETSCALE is a reliable instrument to measure the trends of ethnocentrism for consumer in Indonesia. The result of analysis showed that the trends of consumer ethnocentrism in Indonesia is in medium category. The study was the first study that was conducted to investigate the trends level of consumer ethnocentrism for Foreign branded hotel in Indonesia and it was an empirical study for Indonesian entrepreneurs that were members of Indonesian entrepreneur association in Central Java. The study becomes a significant contribution to the development of the study related to consumer ethnocentrism and the study related to international marketing, especially in the hospitality industry.

**Key words:** Consumer ethnocentrism, Indonesian consumer, CETSCALE, entrepreneur association, Foreign brand hotel, Indonesia

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### INTRODUCTION

Indonesia has been a heaven for international hotel chains to grow, develop and give a number of business opportunities for a long time. South East Asia is a healthy market, including hospitality sector so the expansion in the field of hospitality in South East Asia, especially in Indonesia is promising. These are the international hotel chains with their brand in Indonesia. Additionally, hotel chains develops significantly in Indonesia where there are a lot of stars hotel from local brand.

In the last few years, the expansion of hotel management company with the chain system is growing rapidly. The definition of hotel chains is a collection of service organizations that perform the same things substantially (often, the only difference is the physical form) which is connected together into a bigger organization. Although, there is usually a cooperation in the relationship between the components horizontally,

there is a center part of the chain such as distribution facility which has vertical relationship with the component. There are some kinds of relationship between the component and chain, including ownership, franchise agreement or other kinds of contract or agreement (Ingram and Baum, 1997).

In other side, globalization which commonly defined as 'a world without limits' has resulted the development of business world, especially in the international market where the consumers are faced with choices to buy local or Foreign brand. The choice to buy local or Foreign brand generates the restlessness for the international marketer to ensure the perception and behavior of the consumers. The perception and behavior of the consumers can be known by whether the brand is accepted or not so this is a big opportunity for international marketer to expand abroad (Klein *et al.*, 1998).

Globalization makes individual or corporation from certain country to reach the world effectively and efficiently (Ricky and Michael (2007). Daniels and coauthors defines globalizations as the efforts to deepen and widen the interdependence between people from different parts of the world, especially in the different countries. Vignali (2001) stated that globalizations means developing the marketing strategy that use the same way everywhere. Globalization occurs due to the factors of investment, production and marketing factors, advancement of telecommunications technology and internet factors and the growth of global media that almost happened all over the world. This causes consumers become aware of the brands available around the world and also consumers are becoming increasingly interested in the brands from various countries (Wong *et al.*, 2008). Demir and Tansuhaj (2011) in their research stated that globalization leads to openness and interdependence between society and the economy. Hence, global marketers aim to meet consumer needs and desires of consumers by offering brands from all over the world and by offering the promise to get a better quality of life.

Globalization makes consumer ethnocentrism became one of the factors that influence in the field of marketing science. Ethnocentrism consumer gets the most attention by researchers so it becomes important literature in the science of marketing (Shimp and Sharma, 1987). The attention of the researchers become even greater with the difference in views between consumer ethnocentrism and non-consumer ethnocentrism. Ethnocentrism believes consumers are not concerned to buy brands that come from other countries as long as it does not affect the domestic economy. It indicates that the consumer ethnocentrism gives a positive impact on domestic brands (Sharma *et al.*, 1995). Whereas non ethnocentrism consumers tend to believe and behave to like Foreign brands. This case illustrates that non ethnocentrism consumer gives a positive impact on Foreign brands (Kucukemiroglu, 1999).

Attempts to distinguish between segments of consumers who tend to accept a variety of brands from overseas and consumers who are not willing to accept was conducted by researchers by compiling and testing the consumer ethnocentrism scale, known as CETSCALE (Consumer Ethnocentrism Scale). CETSCALE have managed to identify consumers who have a tendency to accept or reject the Foreign brands. Consumers who are very ethnocentric may feel inadequate or guilty when using Foreign brand because it can affect the domestic economy while consumers who are not ethnocentric tend to judge Foreign brands based on extrinsic characteristics (Schiffman, 2008).

Ranjbarian *et al.* (2010) stated that ethnocentrism study tries to explain why individuals identify themselves with their group. The concept of ethnocentrism provide a valuable explanation about the reasons why consumers often have negative view of the Foreign-made products. Ranjbarian *et al.* (2010) provide suggestions for future research that examines the impact of ethnocentrism on the tendency of consumers to buy products made by the Joint Venture (JV) in developing countries that can be used as a strategy to enter the international market.

This research has an important role in determining the trends of consumer ethnocentrism in Indonesia, especially for Foreign branded hotels in Indonesia. This research is also needed to find out to what extent the demography factor influences the values of consumer ethnocentrism that impacts the ethnocentric trends.

**Consumer ethnocentrism:** The general concept of ethnocentrism which was introduced and adapted more than a hundred years ago started in 1906 by William Graham Sumner. Ethnocentrism concept is very important in international marketing and a major concern for companies that have the aim of entering the Foreign market (Wind *et al.*, 1973). Ethnocentrism is the tendency for a person to see their own group as the center of everything to interpret other social units from the perspective of their own group and rejected people from different cultures (Booth, 2004; Stephen and Cooper, 1979). Ethnocentrism see things in a way that his own group is the center of everything and evaluate things based on their own standards group (Sumner, 1906). Lynn (1976) stated that ethnocentrism can be considered as a part of human nature. Ethnocentrism concept is developed specifically in the domain of marketing that shows belief held by consumers regarding the suitability and morality of purchasing Foreign-made products (Shimp and Sharma, 1987).

Consumer ethnocentrism is part of the trait theory which is how far certain personality can receive Foreign products (Schiffman, 2008). Trait theory focuses on the measurement of personality based on specific psychological characteristic which is called trait. Trait is defined as "something that is distinctive and relatively long lasting that can distinguish one individual from another". Trait theorists concerned with the preparation of the test or assessment of personality that allows them in pointing individual differences based on certain traits. Test of a single personality trait that is selected which only measure one trait such as self-confidence) is often conceived primarily to use in the study of consumer behavior. Personality test that is very suitable with the specific needs measures many kinds of traits such as

consumer innovation (how much one's willingness to accept new experiences), consumers materialism (the tendency of consumers to "worldly possessions") and consumer ethnocentrism (the possibility of the consumer to accept or reject the various Foreign-made products).

Shimp and Sharma (1987) used the term of consumer ethnocentrism to describe the belief held by consumers about the morality appropriateness of purchasing Foreign-made products. This concept has an important role in determining the attitudes and behavior of consumers towards Foreign products. The study found that the consumers who are very ethnocentric have a better attitude towards cultural products from the same country but from studies that have examined the effects of the country of origin, it only applies to a situation where, if the alternative products in the country is available. The number of variations on the issues that developed in consumer ethnocentrism lead to the need for further research on the issue of consumer ethnocentrism. Research on consumer ethnocentrism is necessary to determine the extent to which socio-economic factors, demographics, geography and regional economic effect on the values of consumer ethnocentrism and whether these variables can cause ethnocentric trends.

**Consumer ethnocentrism and demographics:** The number of variations on the issues that developed in consumer ethnocentrism lead to the need for further research on the issue of consumer ethnocentrism. Research on consumer ethnocentrism is necessary to the extent to which socio-economic factors, demographics, geography and regional economic effect on the values of consumer ethnocentrism and whether these variables can cause ethnocentric tendencies. Furthermore, this concept can also be developed to test the effect on consumer attitudes, purchase interest and also consumer behavior towards the use of Foreign brands.

Research of Steenkamp and Baumgartner (1998) found that the measurement of the cross-national consumer research is an important step in building a generalization of the theory of consumer behavior. Watson and Wright (2000) investigated the relationship between consumer ethnocentrism and consumer attitudes toward products of Foreign manufacturers where domestic alternatives are not available. The results obtained in this study shows that cultural similarities are important to be considered for high ethnocentric consumers in evaluating Foreign products. Sinkovics and Holzmuller states that the concept of ethnocentrism is used to explain human behavior in different cultural entities. The higher the interaction between individuals in

a wide variety of cultures, the more important the role of ethnocentrism. Individual ethnocentrism shapes and influences the relationship between international companies as well as strategy formulation. The level of ethnocentrism determines how companies act in certain countries and ethnocentrism that is applicable in one country can affect the formulation of strategies of Foreign companies. Based on the views of the individuals who are in favor of the domestic economy on Foreign products, ethnocentrism consumers are willing to contribute to economic growth, political welfare social as well as the domestic economy (Granzin and Olsen, 1998; Nadiri and Turner, 2010).

Sharma *et al.* (1995) states that one of the characteristics of consumer ethnocentrism is the view that purchasing Foreign products is not just a matter of economics but also about a moral issue. The moral aspect causes consumers to buy domestic products even though the quality of products under the import (to support the product/brand in the country). Yoo and Donthu (2005) explores the relationship between the type of consumer and hostility against imports. The aim of this study was to examine the relationship between cultural orientation and consumer ethnocentrism. According to Hofstede, the dimensions of the cultural orientation consists of:

- Collectivism (showing love and care for humanitarian or social in the group or the same as patriotism)
- Masculinity
- Uncertainty avoidance
- Power distance (prestige, wealth, power social status)
- Future-oriented (long-term orientation)

**Measurement of consumer ethnocentrism:** An empirical application was built with regard to consumer ethnocentrism of Belgium, Great Britain and Greece. The illustrations were taken from these three countries by using 10 items of CETSCALE version (Shimp and Sharma, 1987). Mangnole *et al.* (2011) explained in his research that CETSCALE is a reliable instrument for measuring the tendency of consumer ethnocentrism in Ethiopia. The aim of this study was to summarize and analyze trends of Consumer Ethnocentrism of Ethiopia for Products and Services Using Consumer Ethnocentrism Scale (CETSCALE). Luque-Martinez *et al.* (2000) stated that the uni-dimensional CETSCALE can be used in measuring consumer ethnocentrism in a particular country. It is stated that, based on the economical factor, a simple model that can explain the variation should be preferred compared to more complex models so uni-dimensional is the best measure when measuring consumer ethnocentrism.

Yoo and Donthu (2005) research showed that collectivism, masculinity, uncertainty avoidance and power distance are positively related to consumer ethnocentrism. While the long-term orientation is negatively related to consumer ethnocentrism. These results also indicate the relationship between consumer ethnocentrism in the United States and the variable consequences is the quality perception of Foreign products which is significantly negative and the relationship between consumer ethnocentrism in the United States with the purchase intentions in buying Japanese products is significantly negative (Yoo and Donthu, 2005).

Hamin and Elliott (2006) conducted a study on the concept of consumer ethnocentrism and its impact on product evaluation and the selection of products for consumers in Indonesia. Consumers in Indonesia is more concerned about the country of origin of the products and potentially to buy local products and the level of consumer ethnocentrism in Indonesia compared to other countries is likely to be high. People who have high ethnocentric will choose a local provider and the ones who have a low ethnocentric would choose a Foreign provider. The variables used in the study are consumer ethnocentrism and Country of Origin (COO).

Klein *et al.* (1998), his research examined the animosity towards the purchase of Foreign products in the People's Republic of China. According to Klein *et al.* (1998) animosity has a significant impact on purchase decisions. The variables in this study are: animosity, consumer ethnocentrism, products judgments, purchase interest and product ownership. The result showed consumer ethnocentrism was negative toward purchase interest of Foreign product/brand. This finding is supported by researches by Liu *et al.* (2006); Park *et al.* (2008); Tabassi *et al.* (2012); Bandyopadhyay (2012); Eren (2013); Din and Sahn (2013); Ahmad *et al.* (2013); Fakharmanesh and Miyandehi (2013).

The research of Shankarmahesh (2006); Ishii (2009); Rybina *et al.* (2010) aims to test the consumer ethnocentrism as antecedents and test the effects of animosity and consumer ethnocentrism to purchase Foreign products. Ishii (2009) mentions that the Chinese consumer ethnocentrism is a combination of patriotism and negative internationalism. The implication of these studies is the CET as antecedents and consequences can be used by the international marketing manager for segmentation and target marketing strategies.

Impact of patriotism, nationalism and internationalism as an antecedent toward the consumer ethnocentrism in Turkey and the Czech Republic was investigated by Balabanis *et al.* (2001). The results

showed that the impact of nationalism and patriotism are not consistent in the two countries. Consumer ethnocentrism in Turkey was driven by patriotism while in the Czech Republic was driven by nationalism. Internationalism does not have a significant impact on consumer ethnocentrism in both countries. The variables used in this research are: nationalism, patriotism, internationalism, demographics and consumer ethnocentric.

Altintas and Tokol (2007) conducted a study to examine the antecedents of consumer ethnocentrism, especially with regard to the Turkish consumer attitudes toward products originating from Europe. Researchers developed a web-based questionnaire which was then tested and given to the national sample consisted of 540 individuals with an email account. In this study, consumer ethnocentrism was measured by the CETSCALE. Results were analyzed using structural equation model with six hypotheses were tested. The findings of this study noted that xenophobia has the greatest influence in affecting consumer ethnocentrism among consumers in Turkey and conservatism is the second most influential element. This study uses a large sample size and the representativeness are very clear that encourages the generalization of the findings that will be very useful for certain countries for the future research. Altintas and Tokol (2007) stated that the international companies pay greater attention to the marketing field related to aspects that relates to social behavior in the Foreign market which is the target of an international company.

Saffu and Walker (2005) conducted a study to compare the psychometric properties of CETSCALE, in this case with regard to cross-cultural in Canada which is a developed country and in Russia which is a country that is in transition. This study emphasizes the need to try to understand or comprehend the openness of consumers in western developed countries such as Canada and transitional countries such as Russia for products made abroad. This study benefits to add the literature and knowledge in the international consumer behavior. The findings in this study have implications for marketing managers in Canada and Russia. Canadian companies that have plans to do business in Russia should consider consumer ethnocentrism on the strategy of segmentation, targeting and positioning. For example if a Canadian marketer wants to enter Russia, he should be careful in using the label the country of origin in their promotion. Canadian marketers should explore or develop the possibility to use the theme of nationalism in selling goods that are marketed in Russia. Russian marketers should also consider less ethnocentric of Canadian society in the marketing strategy in Canada where the

Canadian public pay more attention to the consideration of price and quality and less attention to the label “made in” in the marketing in Canada.

Othman *et al.* (2008) conducted a study that aims to determine the tendency of ethnocentrism among urban consumers in Malaysia. Results showed that consumer ethnocentrism tends to occur in the Malay tribe, married, women and has a low income and mostly blue collar. Results from this study also showed that CETSCALE can be applied in Asian countries with multi-ethnic backgrounds. Variables used in this research is consumer ethnocentrism, lifestyles and demographics.

## **MATERIALS AND METHODS**

Based on the existing literature, researchers have been investigating the level of ethnocentrism tendency among consumers in certain countries such as the USA, France, Russia and India. In order to make comparisons between consumer ethnocentrism in Indonesia and other countries in the world, 9 items of CETSCALE was incorporated into the survey instrument used in this study. This is important in order to obtain meaningful results and comparable with the results of previous studies.

The study was conducted to investigate the trends level of consumer ethnocentrism for Foreign branded hotel in Indonesia. It was based on an empirical study for Indonesian entrepreneurs that were members of Indonesian entrepreneur association especially focused in Central Java. The associations were located in Central Java and they actively run the regional economy. The reason for choosing the Indonesian entrepreneurs who are the members of entrepreneur association in Central Java as the population of the study is because they tend to they travel a lot to other cities to run their business.

The population of the study is Indonesian entrepreneurs who are members of entrepreneur association in Central Java, for examples: KADIN (Kamar Dagang dan Industri/Chamber of Commerce and Industry), HIPMI (Himpunan Pengusaha Muda Indonesia/Indonesia Young Entrepreneur Association), HIPPI (Himpunan Pengusaha Pribumi Indonesia/ Association of Indonesia Indigene Industrialists), IWAPI (Ikatan Wanita Pengusaha Indonesia/Indonesia Business Woman's Association) and other Indonesian entrepreneur associations such as: APBMI (Asosiasi Pengusaha Bongkar Muat Indonesia/Indonesia Stevedoring Entrepreneur Association), APINDO (Asosiasi Pengusaha Indonesia/Indonesia Entrepreneur Association), APPMI (Asosiasi Perancang Pengusaha

Mode Indonesia/Indonesian Fashion Designer Association), APPSI (Asosiasi Pengusaha Periklanan Seluruh Indonesia/Indonesian Advertising Entrepreneur Association), HIMPUH (Himpunan Penyelenggara Haji and Umroh/Association of Hajj and Umrah Organizers), INSA (Indonesia National Ship-owner Association), PERBARINDO (Perhimpunan Bank Perkreditan Rakyat Indonesia/ Federation of Indonesian People's Credit Bank Associations) dan PHRI (Perhimpunan Hotel dan Restoran Indonesia/Indonesian Hotel and Restaurant Association).

The sample used in this study were Indonesian entrepreneurs who are members of entrepreneur associations in Central Java, Indonesia who are aware of the existence of Foreign branded hotel which has a distinctive feature of Indonesia. There were 121 samples in the study. The samples were collected because the number of samples met the requirements of Maximum Likelihood Estimation (MLE) with the minimum samples in the modeling are 100-200. The sampling approach used in this study is a non-probability sampling. The reason using this sample is because the researchers do not know the exact number of entrepreneurs in Indonesia who are members of employers' associations in Central Java. The data were collected through questionnaire which gives the statements to be responded. Once shared, the respondents were given an opportunity within a specified period time to answer the questions and then, they were collected by the researchers to be used as primary data.

The questionnaire used as data collection instruments contains statement of items that are developed to measure the variables that are studied. The scale of measurement used for this variable is an interval scale. The interval scale is a data measuring device that can produce a range of values that has a meaning which makes it possible to perform parametric statistical tests. To develop a statement that generates answers agree-disagree in a variety of ranges, This study uses a 10-point Likert scale where the scale 1 is given the Scores Strongly Disagree (STS) and the scale 10 is given the Score Strongly Agree (SS). Variable of consumer ethnocentrism in this study consisted of 9 indicators adopted from Shimp and Sharma (1987), namely:

- Citizens of Indonesia should buy Indonesian brand instead of Foreign brand
- Substantially always buy Indonesian brand
- To buy Foreign brands are not Indonesian
- To buy Foreign brands is not correct
- A true Indonesian should always buy Indonesian brand

**Table 1: Demographic profile of respondents**

Parameters	Valid(%)
Association KADIN	37.19
HIPMI	27.27
IWAPI	23.14
HIPPI	4.13
APBMI	2.48
Others (APINDO, APPMI, LGAs, HIMPUIH, INSA, PERBARINDO and IHRA)	5.79
Age under 30	9.10
30-50	50.40
Above 50	40.50
Gender male	65.29
female	34.71
Marital status married	76.03
widowers	12.40
Unmarried	11.57
Level of educations bachelor degree	60.33
Diploma	8.26
Masters	17.36
PhD	0.83
High school	12.40
Junior school	0.83
Monthly income IDR 15-20 M	37.19
Less than IDR 10 M	23.14
IDR 10-15 M	19.01
Above IDR 25 M	13.22
IDR 20-25 M	7.44
Monthly expenditure less than equal to IDR 10 M	45.45
IDR 15-20 M	38.02
IDR 10-15 M	12.40
IDR 20-25 M	1.65
Above IDR 25 M	2.48

- We should buy Indonesian brand and do not let other countries get rich by selling their brand in Indonesia
- The Indonesian people should not buy Foreign brands because it will disturb Indonesian business and cause unemployment
- We should only buy Foreign brands if local brands cannot be obtained within the country
- Indonesian consumers who buy Foreign brands are responsible for causing the Indonesian citizens lost their jobs

For data processing technique and analysis, SPSS version 16 was used to analyze the data in this study. Analysis of the data was started in the demographic profile of the respondents. Demographic profile of the respondents in this study consisted of the entrepreneur association, gender, marital status, age, education level, monthly income and expenses of the respondents.

**Demographic profile of respondent:** The results showed that based on the joined entrepreneur association as 37.19% of samples joined KADIN. In terms of age, the results showed that the respondents are dominated by the group aged 30-50 years which count 50.4%. According to

gender, male respondents amount to 65.29%. This study also showed that 76.03% of the 121 respondents are married.

For the level of education, most respondents are university graduates from bachelor degree (undergraduate) which amounts 60.33%. Based on the monthly income of the respondents, 37.19% earn >15-20 millionrupiah. According to the expenditure per month, 45.45% of respondents spend ≤10 million rupiah per month.

Based on the data, it is known that the respondents in this study are dominated by Indonesian entrepreneurs who are members of KADIN aged 30-50 year who are male and married. Respondents in this study are dominated by Indonesian entrepreneur who are members of KADIN aged 30-50 year who are male and married. This becomes an interesting research findings because as we know KADIN is an organization that became an umbrella for the business world in Indonesia. In addition, demographic data also showed that most respondents have a level of education at least at undergraduate level with a monthly income equal to IDR 15-20 million and spending less than IDR 10 million (Table 1).

## RESULTS AND DISCUSSION

An overview of research data can be done by using an index value. It is useful to know the degree of respondents' perceptions and interpretations related to 9 indicator variables of consumer ethnocentrism. Ferdinand recommends using three criteria boxes (three-box method) to determine the generated category and index value so the index value can be categorized into threeindex categories, namely low (10-40), medium (40.01-70) and high (70.01-100).

Table 2 showed that out of 9 indicators, the one which has the highest index value is an indicator of Indonesian citizens should buy Indonesian brand instead Foreign brands amounted to 75.87. The lowest index value is in the indicator to buy Foreign brands is not correct, amounted to 54.55. While the average variable of consumer ethnocentrism is 64.44 which means that the value of variable index of consumer ethnocentrism is in the middle category.

The results of the study where the consumer ethnocentrism is in the middle category is expected to be one of the reference basis for other researchers associated with the trends of consumer ethnocentrism for Foreign brands in Indonesia. Therefore, it will provide a very significant theoretical contributions in the field of international marketing.

The findings of this study is practically inputs for international marketers and government/state officials in

Table 2: Index value and interpretation of consumer ethnocentrism variable

Indicator	Value index and interpretation
Citizens of Indonesia should buy Indonesian brand instead of Foreign brand	75.87/High
Substantially always buy Indonesian brand	69.83/Medium
Buying Foreign brands are not Indonesian	58.51/Medium
Buying Foreign brands is not correct	54.55/ Medium
A true Indonesian should always buy Indonesian brand	66.12/ Medium
We should buy Indonesian brand and do not let other countries get rich by selling their brand in Indonesia	69.34/ Medium
Indonesian people should not buy Foreign brands because it will disturb Indonesian business and cause unemployment	66.20/ Medium
We should only buy Foreign brands if local brands cannot be obtained within the country	69.67/ Medium
Indonesian consumers who buy Foreign brands are responsible for causing the Indonesian citizens lost their jobs	61.32/ Medium
Average value of variable index	64.44/Medium

terms of being a reference for International marketers (for example, employers of hospitality industry) when they will expand overseas in order to build the right marketing strategies related to the trends of consumer ethnocentrism in Indonesia that are categorized as moderate. Foreign brand hotel that enters Indonesia must empower local resources in order to increase the income of the population of Indonesia. Foreign brand hotel that expands to Indonesia should employ citizens of Indonesia so that it gives a positive impact on the domestic economy and improves the welfare of the Indonesian people. The results of this study are expected to provide a practical contribution to the government in terms of making regulations related to hotel marketing/Foreign branded corporate in marketing their brand in Indonesia and Indonesian hotel/companies that want to expand abroad needs to consider the level of consumer ethnocentrism in the destination country.

The number of variations and issues that developed in consumer ethnocentrism lead to the need for further research on issues related to consumer ethnocentrism. Based on the above results of study, it is proposed that the next study of consumer ethnocentrism in Indonesia can be conducted with different research object and settings. Future research could examine the trends of consumer ethnocentrism for Foreign brands other than the hospitality industry such as Foreign brands in the field of food service industry, resort industry, property industry, retail industry and spa industry.

## CONCLUSION

This study aims to explore and test the variable of consumer ethnocentrism in Indonesia for Foreign branded hotel. Results of the investigation showed that CETSCALE is a reliable instrument for measuring consumer ethnocentrism trends towards Foreign branded hotels in Indonesia. The research found that the trends of consumer ethnocentrism in Indonesia tend to be moderate (64.44%). This shows that the respondents can accept

Foreign brand hotel in the belief that the Indonesian people buy Foreign brand not because of the view that buying Foreign brand is not correct but it is based on the view that Indonesian citizens should buy Indonesian brand instead of Foreign brands. The belief that Indonesia should buy Indonesian brand rather than Foreign brand means loving domestic brand, helping local entrepreneurs and preserving the culture of Indonesia as well as improving the local economy.

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