Some questionnaires were also sent by post or through the internet.

CHAPTER 4   RESEARCH RESULTS

4.1   INTRODUCTION

This research study questionnaire was developed and used to obtain the empirical data from Malaysian consumers. (Data Analysis has been done using SPSS 17) Exploratory data analysis to ensure that the data was in conformance with the requirements for the statistical analysis. Two phases of the analysis have been done. The first phase which was a descriptive analysis has been presented, while the second phase was to test the hypotheses.

4.1.1   Data Analysis and Preparation

To clean and prepare the data for analysis several steps were taken. Blanks in the data base were highlighted and checked against the original questionnaires, and all sections in which the blank appeared were also checked. The accuracy of the entered data was assessed. In the questionnaire, the positive or negative ends of the 5-point Likert scale items were randomly assigned to the left or right end of the scale to prevent routine response the responses to the open-ended questions were entered verbatim as nominal variables.

4.2   CHARACTERISTICS OF THE SAMPLE

Describes the sample's demographic characteristics. They show the background variables of the sample that involved in the study presented in this research. Frequencies and percentages have been used to describe the respondent, which are out of 514 responses.

4.3   DESCRIPTIVE STATISTICS OF RESEARCH VARIABLES

Firstly, the demographic profile of the 514 respondents is illustrated in pie charts.
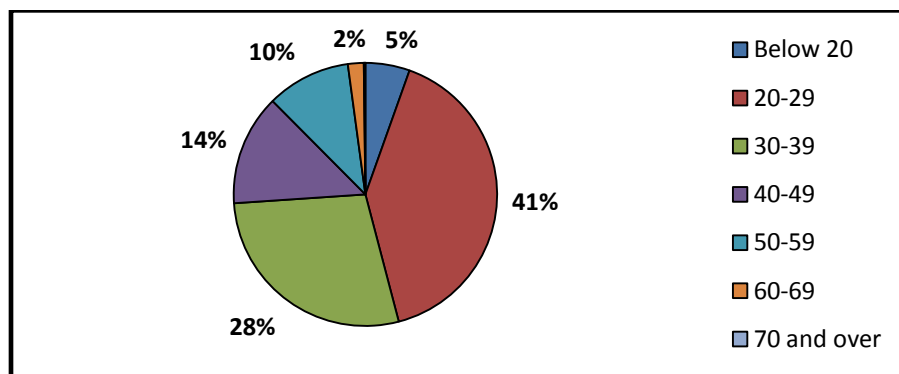

Figure 4.1 : Age

 Majority (74%) of the respondents are below 39 years of age, where 41% of the respondents are from the age group 20-29. 24% of the respondents aged 40 to 59 while only 2% are from the age group 60 and upper.
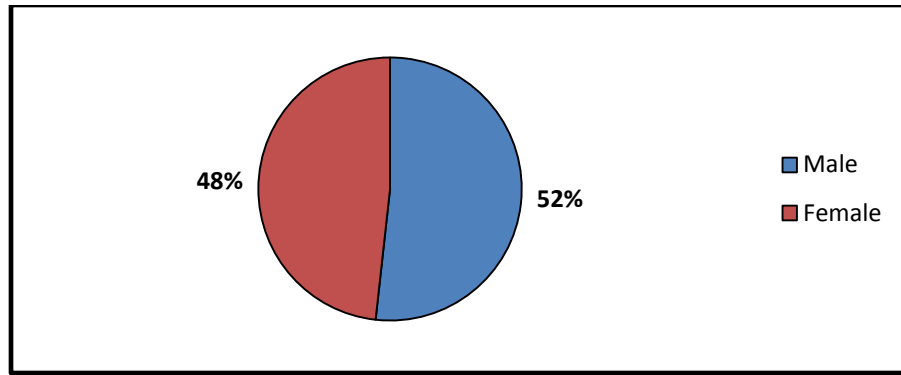
Figure 4.2 : Gender

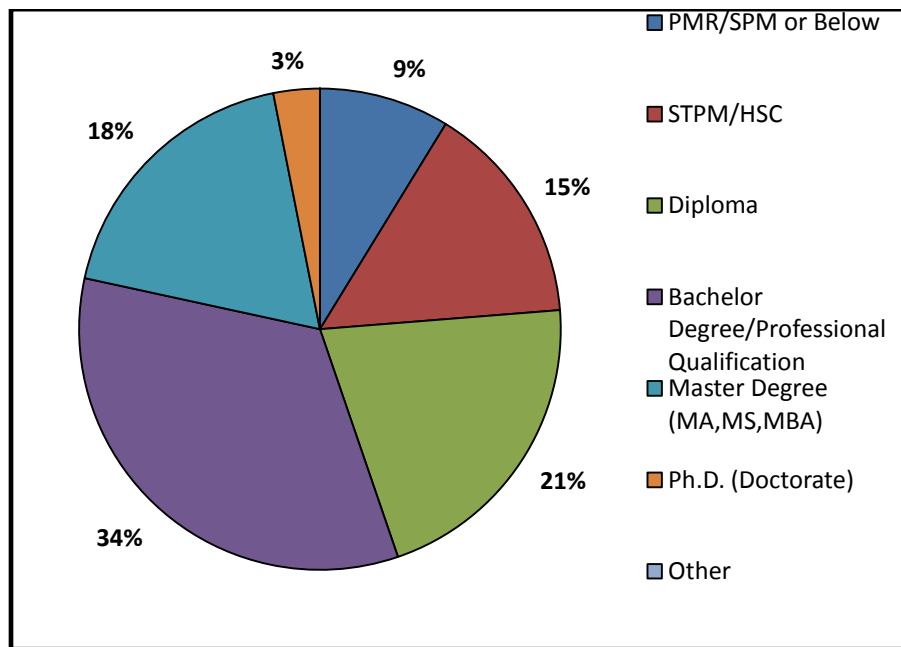The gender distribution is quite equal being 52% of the respondents are Male and 48% are female.

Figure 4.3 : Educational Qualification

Majority (52%) of the respondents are at least with a bachelor degree / professional qualification. 21% of the respondents are with diploma and 15% are

with STPM/HSC. This figure shows that majority of the respondents are highly
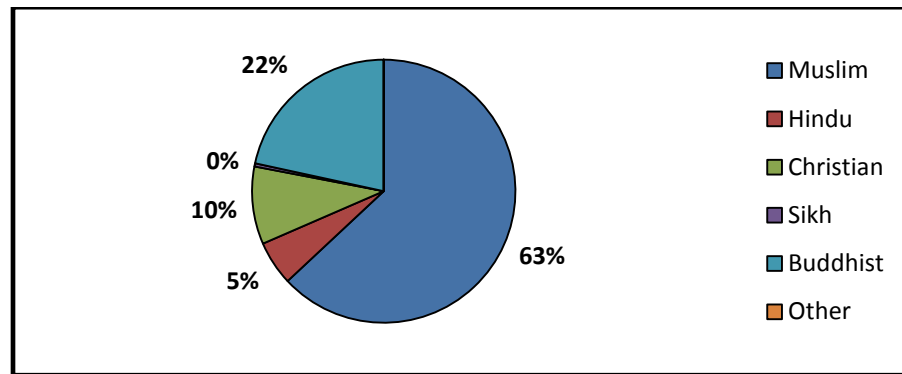
educated people.

Figure 4.4 : Religion

63% of the respondents are Muslims, followed by 22% of Buddhist, 10% of

Christians and 5% of Hindus.
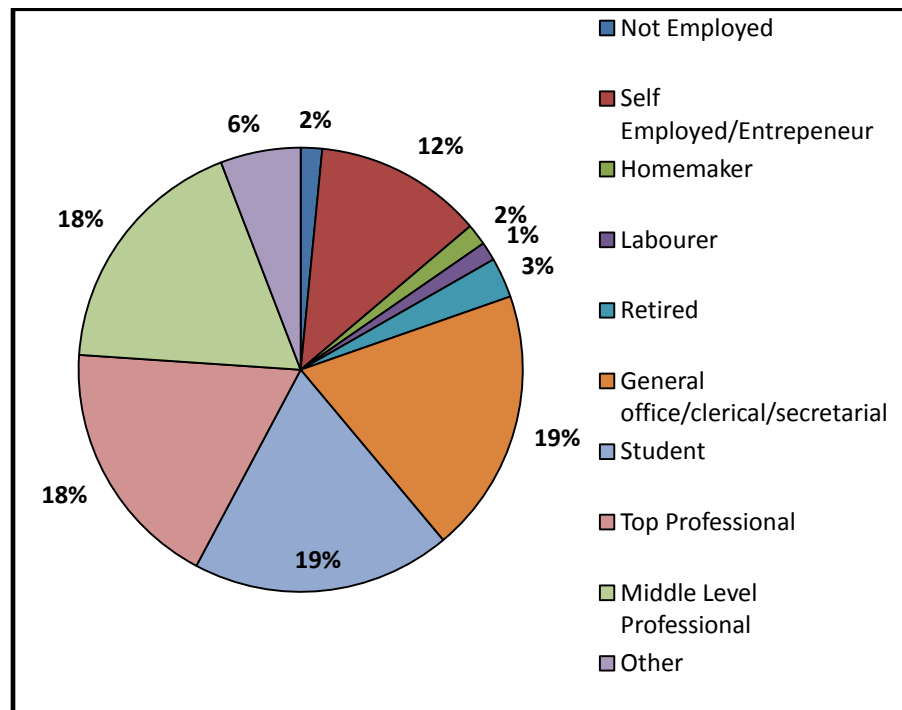
Figure 4.5 : Occupation

Figure 4.5 shows that 19% of the respondents are students, 19% are of general office, 18% are top professionals, and 18% of middle level professionals.
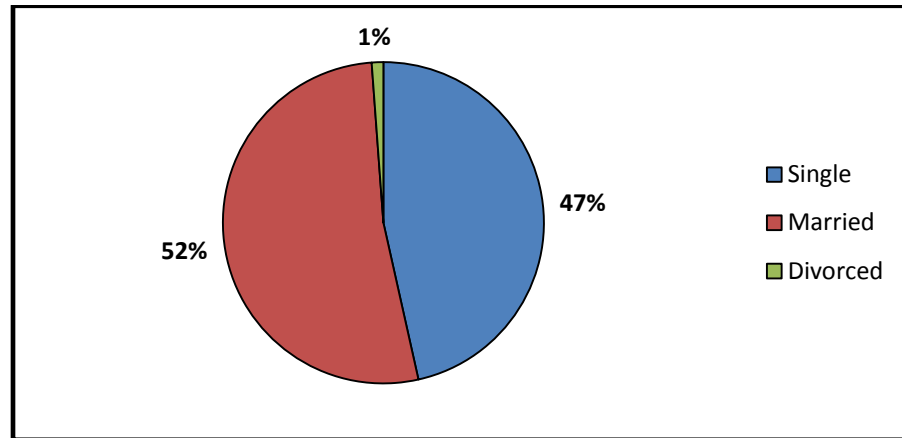
Figure 4.6 : Marital Status

52% of the respondents are married, followed by 47% are still single, where the minority 1% are divorced.
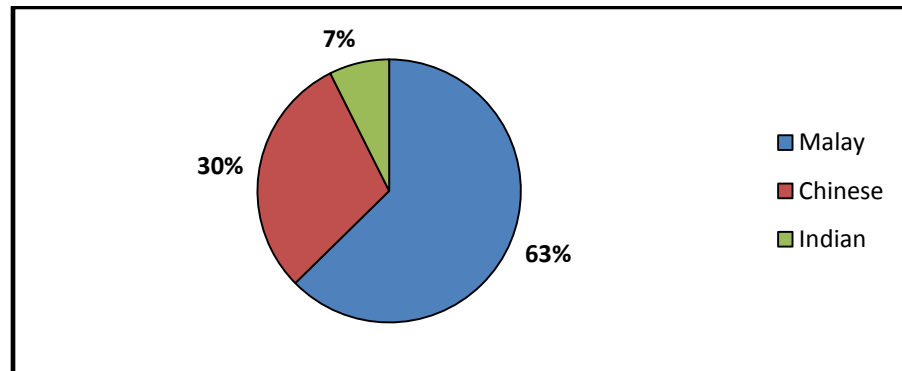
Figure 4.7 : Ethnic Group

The distribution of respondents are very similar to actual proportion of Malaysian in diversion of ethnic group, being majority 63% are Malays, followed by 30% of

Chinese and 7% of Indians. This suggests that the model might be useful to represent Malaysians as a whole.
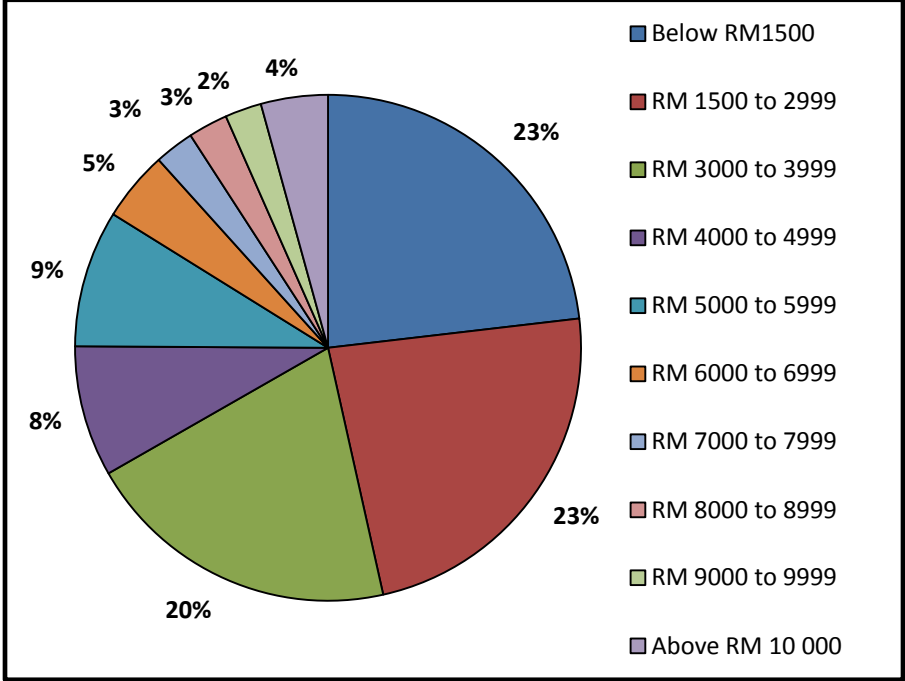
Figure 4.8 : Individual Monthly Income

Majority of the respondents have monthly income RM 3999 and below, with 20% earning RM 3000 to RM 3999, followed by 23% earning RM 1500 to RM 2999 and lastly 23% earning below RM 1500.

4.4 NOMALITY AND RELIABILITY OF DATA

Below are the reliability statistics for the four main contributes: Animosity (AN), Ethnocentrism (ET), Product Image (PI), and Country Image (CI) towards Purchase Intentions (IN).

Scale : Animosity (AN)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.922	.922	8

Scale : Ethnocentrism (ET)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.958	.959	14

Scale : Product Image (PI)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.870	.870	6

Scale : Country Image (CI)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.898	.900	3

Scale : Purchase Intention (IN)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.910	.910	6

Note that all Cronbach's Alpha values are larger than .8 which is all favorable.

Histogram

Dependent Variable: Purchase Intention

Mean =3.97E-15
Std. Dev. =0.996
N =514
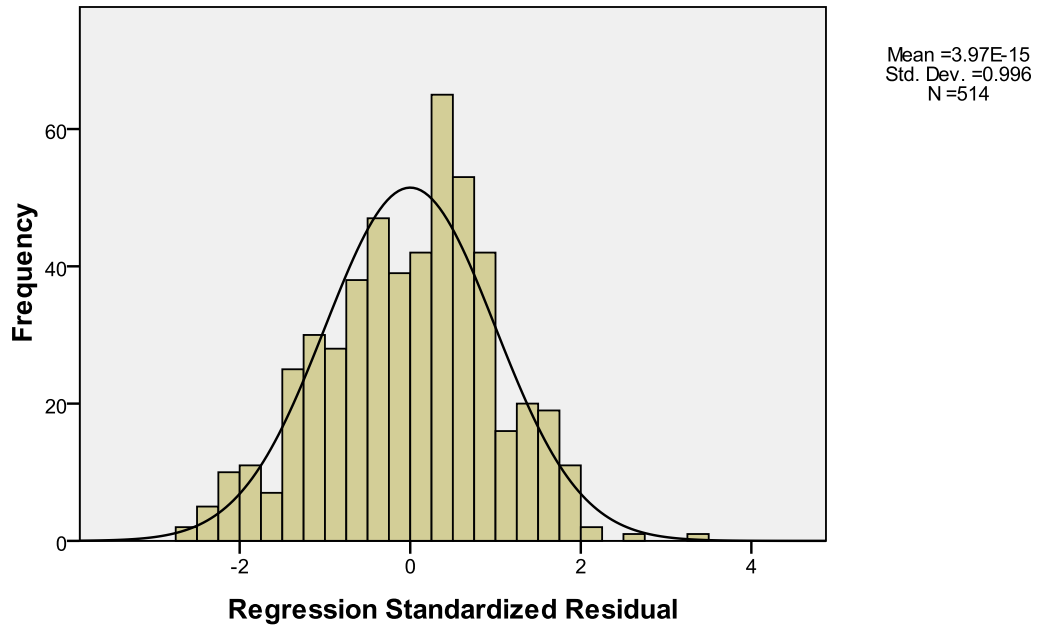
From the histogram showing means of all variables with dependent being Purchase Intention (IN), the distribution is considered 'normal'. Further from the scatter plot below, the distribution is considered to be 'random'.

Scatterplot

Dependent Variable: Purchase Intention

67

4.5   HYPOTHESES TESTING

In this section entails statistical analysis of the data to test the hypotheses relationships: Pearson Correlation, Bi-variate and Multiple Regression analysis have been employed.

The correlation between the variables Animosity (AN), Ethnocentrism (ET), Product Image (PI), Country Image (CI), and Purchase Intention (IN) are as below:

Correlations

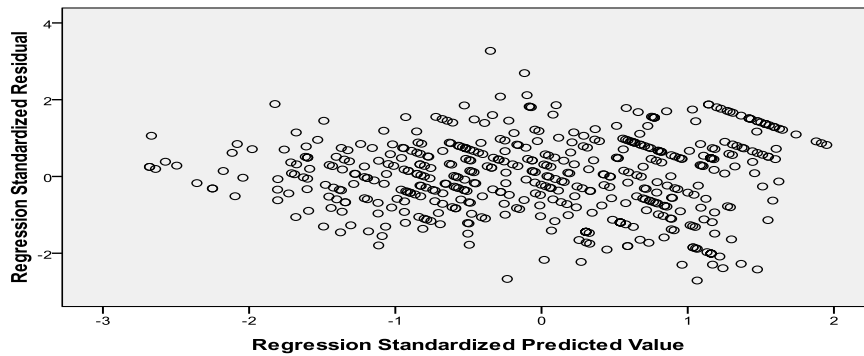|		meanAN	meanET	meanIN	meanPI	meanCI
Animosity	Pearson Correlation	1	.760**	.697**	.452**	.014
	Sig. (2-tailed)		.000	.000	.000	.759
	N	514	514	514	514	514
Ethnocentrism	Pearson Correlation	.760**	1	.776**	.416**	-.006
	Sig. (2-tailed)	.000		.000	.000	.893
	N	514	514	514	514	514
Purchase Intention	Pearson Correlation	.697**	.776**	1	.315**	-.009
	Sig. (2-tailed)	.000	.000		.000	.830
	N	514	514	514	514	514
Product Image	Pearson Correlation	.452**	.416**	.315**	1	.481**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	514	514	514	514	514
Country Image	Pearson Correlation	.014	-.006	-.009	.481**	1
	Sig. (2-tailed)	.759	.893	.830	.000	
	N	514	514	514	514	514

**. Correlation is significant at the 0.01 level (2-tailed).

Note that there is significant relationship at 0.01 level (2-tailed) between Purchase Intention (IN) with Animosity (AN) 0.697, Ethnocentrism (ET) 0.776 and Product Image (PI) 0.315.

4.5.1   Consumer Animosity

H1 (a): Animosity would significantly affect the purchase intentions of Malaysian consumers towards American brands.

The correlation of Animosity (AN) and Purchase Intentions (IN) is 69.7%, significant at 0.01 level. This suggest there is a significant positive relationship between the variables and hence H1(a) is supported.

H1 (b): Animosity would significantly affect country image of the United States.

The correlation between Animosity (AN) and Country Image (CI) is 14% which is not significant. Hence H1(b) is not supported.

H1 (c): Animosity would significantly affect the product image of the United States.

The correlation table also shows that the correlation between Animosity (AN) and Product Image (PI) is 45.2%, significant at 0.01 level (2-tailed) and such supports the H1 (c).

4.5.2 Consumer Ethnocentrism

H2 (a): Consumers' ethnocentrism would significantly affect purchase intentions of the U.S. products/brands.

Referring to Appendix 3 – B, Ethnocentrism has high level of correlation with Purchase Intentions (IN), 77.6% therefore it is significantly affecting the Purchase Intentions and leads to a support for H2 (a).

H2 (b): Consumers' ethnocentrism would significantly affect country image of the United States.

Similar Appendix 3 – B also shows the correlation between Ethnocentrism (ET) and Country Image (CI) is -6% which is insignificant. Thus H2 (b) is not supported.

H2 (c): Consumer ethnocentrism would significantly affect the product image of the United States.

The correlation between Ethnocentrism (ET) and Product Image (PI) is significant at 41.6%. This supports H2 (c).

4.5.3 Product Country Image

H3 (a): Country image would significantly affect the purchase intention of U.S. products

This hypothesis is supported as both correlation and regression analysis result is significant.

H3 (b): Product image would significantly affect the purchase intention

The correlation of Product Image (PI) and Purchase Intentions (IN) is significant at 31.5% and hence H3 (b) is supported.

Multiple Regressions

A Linear Regression is conducted to investigate the relationships independent variable Purchase Intentions (IN) and dependent variables Animosity (AN), Ethnocentrism (ET), Product Image (PI) and also Country Image (CI). Results of the regression are illustrated in Appendix 3 – C.

The model is said to be fit as it has a R square value of 0.632, which the independent variables add up together explains 63.2% of the model. This is supported by a large F value. The Coefficients table it suggest that only Ethnocentrism (ET) and Animosity (AN) is significant to affect the Purchase Intentions (PI), and the equation can be constructed from the table as below:

Purchase Intentions (IN) = -0.04 + 0.3 Animosity (AN) + 0.614 Ethnocentrism (ET)

Again the histogram suggests that the model is 'normal' curve, while the P-P plot supports the histogram as it is linear. Lastly the scatter plot suggest the variables are random hence no bias issues is involved and the model is fit.

4.6   VARIALBES RELATION WITH DIFFERENT ETHNIC GROUP

Comparison of Purchase Intention with Different Ethnic Group

	N	Mean
Malay	322	3.2697
Chinese	154	2.4069
Indian	38	2.6447
Total	514	2.9650

The table shows that Malays have clearly different level of purchase intentions in comparison with Chinese and Indians. The purchase intention is 0.8 higher than Chinese and 0.6 higher than Indian. The Indians also have 0.2 higher purchase intentions than the Chinese.

A post hoc test is carried on the table below using Scheffe theory, and it shows there is a difference between Malays and Chinese, as well as Indians, where the difference between Chinese and Indians are less obvious.

Multiple Comparisons

Dependent Variable:meanIN

	(I) RACE	(J) RACE	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval Lower Bound	95% Confidence Interval Upper Bound
Scheffe	Malay	Chinese	.86274*	.08920	.000	.6438	1.0817
		Indian	.62493*	.15616	.000	.2416	1.0083
	Chinese	Malay	-.86274*	.08920	.000	-1.0817	-.6438
		Indian	-.23781	.16491	.354	-.6427	.1670
	Indian	Malay	-.62493*	.15616	.000	-1.0083	-.2416
		Chinese	.23781	.16491	.354	-.1670	.6427
LSD	Malay	Chinese	.86274*	.08920	.000	.6875	1.0380
		Indian	.62493*	.15616	.000	.3181	.9317
	Chinese	Malay	-.86274*	.08920	.000	-1.0380	-.6875
		Indian	-.23781	.16491	.150	-.5618	.0862
	Indian	Malay	-.62493*	.15616	.000	-.9317	-.3181
		Chinese	.23781	.16491	.150	-.0862	.5618

*. The mean difference is significant at the 0.05 level.

Comparisons of Animosity with Different Ethnic Group

	N	Mean
Malay	322	3.8661
Chinese	154	3.1039
Indian	38	3.1579

	N	Mean
Total	514	3.5854

Again Malays have the highest Animosity level at 3.8661, and it's higher than both Chinese and Indian by 0.65. This shows the distinct in Animosity level between Malays and the other two groups. Chinese and Indian however have insignificant difference.

Comparisons of Ethnocentrism with Different Ethnic Group

	N	Mean
Malay	322	3.6950
Chinese	154	2.9805
Indian	38	3.3816
Total	514	3.4578

The Malays have the highest level of Ethnocentrism at 3.695, followed by Indians at 3.3816 and lastly Chinese at 2.9805. There is a marginal difference between each ethnic group.

Comparisons of Product Image with Different Ethnic Group

	N	Mean
Malay	322	3.5212

	N	Mean
Chinese	154	3.4026
Indian	38	3.5263
Total	514	3.4861

The table above shows that there are not much difference in product image between Malays and Indians, while marginal difference for the Chinese, which is lower by 0.1.

Comparisons of Country Image with Different Ethnic Group

	N	Mean
Malay	322	2.6325
Chinese	154	2.9892
Indian	38	2.9649
Total	514	2.7639

The table shows that there are not much difference in country image between the Chinese and Indians while the Malays have lower country image level by 0.3.

4.7 SUMMARY

Our analysis establishes the impact of Animosity and Ethnocentrism on Purchase Intentions of Malaysian consumers towards American products. Consumer Animosity and Ethnocentrism would significantly affect Product Image. Consumer Ethnocentrism and Animosity would not significantly affect Country Image of the U.S. In addition a brief comparisons of Purchase Intention, Animosity, Ethnocentrism, Product Image and Country Image with different ethnic group.

CHAPTER 5   CONCLUSION AND RECOMMENDATIONS

5.1   Introduction

This chapter begins with a summary of the results and presents the findings in a succulent manner. Later on limitations of the research are discussed and the chapter concludes with future research directions.

5.2   Summary of Results

This study has examined the impact of Animosity, Ethnocentrism, Country Image and Product Country Image on purchase intentions of Malaysian consumers towards American brands.

5.2.1 Malaysian Consumers and Animosity

USA's political actions in the international arena have created animosity towards brands affiliated with it as a nation. Our findings are consistent with other western research studies on Animosity and once again reinforce the point that Animosity is relevant not only to the world of politics, but also to that of international business as it has been shown to affect consumer preferences and choices (Klein, 2002).

Malay consumers in Malaysia exhibit a high degree of animosity and have a strong preference of products and brands that are made in Malaysia. Those Malays who are less educated and not exposed to foreign cultures with a conservative bent of mind tend to manifest high animosity emotions as compared to their Chinese and Indian counterparts.

Although Malaysia in particular is a market for US made products. Total import from USA in September 2009 amounted to RM 4.12 billion or 10.8% of the total imports. Recent years have seen a shift and an influx from cheap South-East Asian and China labels. The research findings are consistent with previous studies such as Sharma et al. (1995).

Empirical support for a positive relationship between CET and purchase intention of domestic products is found in studies such as Han (1988) and Herche (1992). Studies such as Klein et al. (1998) and Suh and Kwon (2002) also found strong statistical evidence for the direct negative link between CET and intention to buy foreign products.

5.2.2   Malaysian Consumers and Ethnocentrism

Ethnocentrism has the highest significant level (76%) of affect in Purchase Intentions followed by Animosity (69.7%). The age group of Below 20 and 20-29 has the highest dispositions towards Ethnocentrism and Animosity. This is followed by the age group of 30-39, that are similar to the research results obtained by Bahaee and Pasani (2009). However, our findings show that Males have higher level of ethnocentrism than females.

Our results demonstrate that Malaysian consumers exhibit a high degree of ethnocentrism and have a strong preference of products and brands that are made in Malaysia. Those Malays who are less educated and not exposed to foreign culture, tend to manifest high ethnocentric emotions as compared to their Chinese and Indian non-Muslim counterparts.

5.2.3   Summary of Hypotheses Results

Table 4.1: Hypotheses Results

	Consumer Animosity	**Findings**
H1 (a)	Animosity would significantly affect the purchase intention of Malaysian consumers towards American brands;	Supported
H1 (b)	Animosity would significantly affect country image of the US	Not Supported

H1 (c)	Animosity would significantly affect the product image of the US.	Supported
	Consumer Ethnocentrism	
H2 (a)	Consumer ethnocentrism would significantly affect purchase intentions of the US products	Supported
H2 (b)	Consumer ethnocentrism would significantly affect country image of the US	Not Supported
H2(c)	Consumer ethnocentrism would significantly affect the product image of the US	Supported
	Product Country Image	
H3 (a)	Country image would significantly affect the purchase intention;	Supported
H3 (b)	Product image would significantly affect the purchase intention.	Supported

5.3   Marketing Implications

Much has been written regarding the use of marketing to promote political candidates and advance political agendas (Newman, 1999), the stream of research on animosity illustrates the politicization of marketing. For example, in the context of American foreign policy, Huntington (1999) noted that the US corporate interests abroad

have been promoted under the slogans of free trade and open markets, through the shaping of World Bank and International Monetary Fund policies, and through getting foreign countries to adopt economic and social policies that benefit American economic interests. Such actions are sometimes viewed with hostility by foreign countries. Negative reactions to the US imposing unpopular policies may well affect America's economic performance internationally. This is especially true as the perceived hostile policies imposed by the US may be viewed as controllable, and can accumulate over time into stable animosity. The current unpopularity of US military policy can further increase animosity. Thus any political, economic, or military actions viewed as being hostile will adversely affect product choice judgment and evaluation, as well as reduce willingness to buy brands from the aggressor nation.

Animosity is a strong predictor of reluctance to buy even under more moderate circumstances than the massacre situation used in the Klein et al., (1998) study; where the Japanese massacred 300,000 Chinese in Nanjing. This confirms that animosity, and in particular, war animosity towards a particular country, is an important variable to consider in relation to attitudes towards foreign products, especially insofar as it reinforces consumer ethnocentrism. This finding is consistent with previous findings (Klein, 2002; Klein et al., 1998). However, our findings suggest that in this context the effect of war and economic animosity may differ. War animosity has a strong direct effect on reluctance to buy foreign products whereas economic animosity affects reluctance to buy indirectly through consumer ethnocentrism. This may reflect the fact that the CETSCALE includes items relating to threat of domestic job loss and its economic consequences.

Malaysian consumers' animosity toward US was found to negatively affect their purchase intentions of American brands. More importantly, this relationship was independent of their judgments about the quality of American products. It is apparent that Malaysian consumers do not acknowledge the quality of American products as the criterion for the payment of higher prices. It was also found that consumer ethnocentrism negatively affects purchase intentions. International marketers should pay attention both to consumer ethnocentrism and animosity other than the conventional predictor of buying intentions, namely, product quality. Consequently, it would be of value for international marketers to not only measure the level of animosity but it should also be of value to come up with effective means with which to overcome or lessen the effects of animosity on foreign product purchases. Under circumstances where lots of animosity toward an exporting nation exists, firms may face very real marketing difficulties. An increasing number of global firms suggest that intense competition will continue to grow in the international arena (Klein, Ettenson, and Morris 1998).

Klein et al. (1998) provided several sound recommendations for foreign marketers in such situations, including: exporters conducting marketing research studies to gauge the level of animosity in foreign target markets; downplaying ''Made in USA'' labels and brand names associated with the aggressor country; engaging in strategic marketing and manufacturing alliances to make and offer hybrid products that de-emphasize the source of the products; and employing public relations and other communications efforts to improve country perceptions and address sources of international tension. It is suggested that foreign marketers may localize their brands by using local production and raw

materials, or by launching local versions of their offerings. Investing in the affected country, possibly in conjunction with a local partner, may also demonstrate a long-term commitment to that country (Ang, Jung, Kau, Leong, Pornpitakpan, & Tan, 2004).

While such actions appear financially and strategically well motivated, they should be handled with care and sensitivity, to avoid reinforcing consumer resentment and inviting a possible backlash. In addition, our research findings suggest to international marketers, that having a better product may not be sufficient to compensate for animosity. Indeed, for most products, functional performance is becoming more complicated over time. This implies that negative affect will be harder to overcome, and that as developing countries improve product quality, such affective evaluations will play a bigger role in choice. Thus, while major global brands have been able to generally ignore their home country's political actions, this may be less true in the future.

5.4   Limitations of the Study

Our study has been constrained by its confinement to the Klang Valley sample only; and consumers inhabiting Klang Valley cannot represent whole Malaysia.

5.5   Future Research

First, this research ought to be extended to other states across Malaysia. Secondly, further research in neighboring countries such as Thailand and Singapore would help determine how far results can be generalized across ASEAN beyond the specific case of Malaysia. Thirdly, future studies ought to compare product categories where domestic options are widely available to consumers (hand phones, computers, watches,

motorcycles and automobiles). This would help to shed light on the extent to which domestic product availability impacts attitudes towards and evaluation of foreign products, and also how ''halo'' effects associated with products from a given country extend to specific product categories. Where consumers are not familiar with a specific category, i.e. have less product knowledge, or do not differentiate between brands, ''halo'' effects have been found to influence product evaluations (Erickson et al., 1984). Attention to variation at different price points the level of consumer involvement and consumer categorization and expertise may also provide further insights into the nature of consumer attitudes towards and evaluation of foreign products. Fourthly, future research might consider specific associations for products from a given country (e.g., US computers are seen as of high quality). Individual characteristics such as cosmopolitanism or high/low product involvement might also be considered. Other potential boundaries still require exploration. For example, a key tenet of the animosity model is that animosity affects buying independently of product judgments.   This suggests that consumers are able to separate their anger towards a country from their assessment of the quality of the country's products/brands, and if they are angry; they will eschew even high quality products from that country.