Jur. Ilm. Kel. & Kons., September 2022, p : 276-286 Vol. 15, No.3 p-ISSN : 1907 – 6037 e-ISSN : 2502 – 3594 DOI: http://dx.doi.org/10.24156/jikk.2022.15.3.276

ONLINE SHOPPING: ANALYSIS OF THE INFLUENCE OF ETHNOCENTRISM ON PURCHASE INTENTION IN LOCAL COSMETICS

Raden Rara Arifah Mulyo Budiarti^{1*)}, Megawati Simanjuntak², Popong Nurhayati¹

¹School of Business, IPB University, Bogor 16151, Indonesia
²Department of Family and Consumer Sciences, Faculty of Human Ecology, IPB University, Bogor 16680, Indonesia

*)E-mail: rara_arifahraden@apps.ipb.ac.id

Abstract

Cosmetics and beauty products rank third as the group of goods with the most sales through e-commerce transactions in 2020. E-Commerce offers various cosmetics products and provides wider opportunities for consumers to choose local and foreign products. Ethnocentrism refers to consumers' preference for local products. This study aimed to analyze the effect of socio-psychological factors on consumer ethnocentrism and the effect of consumer ethnocentrism on purchase intention in local cosmetics through online shopping. The number of samples in this study was 210 respondents, selected using the voluntary sampling method. Data collection was obtained through an online questionnaire on Google Forms. Data analysis was carried out using the SEM-LISREL analysis tool. The results showed that socio-psychological factors, including cultural openness, patriotism, conservatism, and collectivism, significantly affected consumer ethnocentrism. Other results also showed that consumer ethnocentrism significantly affected purchase intention in local cosmetics.

Keywords: consumers, ethnocentrism, online shopping, purchase intention, SEM-LISREL

Belanja Online: Analisa Pengaruh Etnosentrisme terhadap Minat Beli Kosmetik Lokal

Abstrak

Kosmetik dan kecantikan menempati urutan ketiga sebagai kelompok barang paling banyak terjual di e-commerce tahun 2020. E-commerce menawarkan berbagai variasi produk kosmetik dan memberikan kesempatan yang lebih besar untuk konsumen memilih kosmetik lokal atau asing. Etnosentrisme adalah preferensi konsumen dalam memilih produk dalam negeri. Penelitian ini bertujuan untuk menganalisis pengaruh faktor sosiopsikologi terhadap etnosentrisme konsumen dan pengaruh etnosentrisme konsumen terhadap minat beli kosmetik lokal melalui belanja *online*. Contoh penelitian ini berjumlah 210 yang dipilih dengan menggunakan metode *voluntary sampling*. Pengumpulan data menggunakan kuesioner daring melalui Google Form. Analisis data pada penelitian ini menggunakan alat analisis SEM-LISREL. Hasil penelitian menunjukkan bahwa faktor sosiopsikologi yang terdiri atas keterbukaan budaya, patriotisme, konservatisme, dan kolektivisme berpengaruh signifikan terhadap etnosentrisme konsumen. Hasil lain juga menunjukkan bahwa etnosentrisme konsumen berpengaruh signifikan terhadap minat beli kosmetik lokal.

Kata kunci: belanja online, etnosentrisme, konsumen, minat beli, SEM-LISREL

INTRODUCTION

Competition between countries through free trade is increasingly getting more attention, along with the development of e-commerce in the digital era. Moreover, in the era of the Covid-19 pandemic, e-commerce is the main choice of consumers in shopping for all their needs (Kuswanto et al., 2019; Pham, Thu, & Thu, 2020; Rahman et al., 2018) Data from Statistics Indonesia (BPS) in 2020 on e-commerce statistics show that 90.18 percent of businesses have used the internet to sell goods and/or services, with the cosmetics and beauty

products placing third as the group of goods most sold through e-commerce transactions in 2020. E-commerce also offers a wide variety of cosmetics products, both local and foreign products. Consumers have become more exposed to various products from other countries, which is alarming to the existence of Indonesian products. As a result, this leads to substantial competition between local and foreign companies to expand their businesses and win the competition (Alshammari, Williams, & Morgan, 2018).

To win the competition, local cosmetic companies can study consumer behavior as the basis of their marketing strategy. Companies can better understand consumer behavior based on customers' wants and needs. As a marketer, an understanding of consumer behavior is very beneficial for a company to develop a strategy. According to Kotler and Keller (2009), purchase intention is the tendency of consumers to buy a brand or take action related to the purchase, which is measured by the likelihood that consumers make purchases. Purchase intention emerges to create a motivation that keeps recorded in his mind, that in the end, will be actualized when a consumer must meet his needs (Amri & Prihandono, 2019). According to Mowen and Minor (2002), interests can be built with strategies that affect consumer perception of the consequences of their possible behavior.

Therefore, it is important to conduct a study of purchase intention. Purchase intention is one of the consumer attitudes that the company must consider to increase consumer demand for a product. Previous studies proved that several factors could influence purchase intention, including country of origin (Yunus & Rashid, 2016), lifestyle (Apupianti, Sumarwan, & Tinaprilla, 2018; Kim, Jung, & Oh, 2017), brand image (Santoso, Najib, & Munandar, 2017), marketing mix (Azizuddin, Maksum, & Fikriah, 2020), product familiarity (Santoso, Mustaniroh, & Pranowo, 2018), and ethnocentrism (Dewi & Sulistyawati, 2016; Sumiati, 2019; Udayani, Wardana, & Giantari, 2018).

One of the determinants in encouraging increased purchase intention of domestic products is a consumer behavior that favors domestic products. This consumer behavior is related to ethnocentrism, that is, the public's preference for purchasing domestic products (Hsu & Nien, 2008). Consumer ethnocentrism represent consumer beliefs compliance and morality in buying domestic products. This is in line with the government's efforts to support local products by launching the Proudly Made in Indonesia National Movement (Gerakan Nasional Bangga Buatan BBI), *Indonesia* or Gernas which was inaugurated by the President of the Republic of Indonesia, Joko Widodo, in 2021. This national movement aims to invite Indonesian people to love, buy, and use products from domestic industries.

Several previous studies (Josiassen, Assaf, & Ingo, 2011; Zunjur & Lopez, 2017) showed that consumer ethnocentrism affects consumers'

purchase intention for local and foreign products. Consumers with a high level of ethnocentricity tend to choose local products over foreign products. This supports a study conducted by Matic (2013) which concluded that consumer ethnocentrism could represent consumer beliefs on compliance and morality in buying domestic products. Previous studies also explain that several factors can influence ethnocentrism. One is the influence of sociopsychological antecedents consisting of cultural patriotism, conservatism, openness, collectivism (Vadhanavisala, 2015). Studies related to the influence of socio-psychological antecedents also need to be done to determine the attitude a person must have to increase ethnocentrism. In addition. this investigates the indirect effect of sociocosmetic purchase psychology on local intention through ethnocentrism. The contribution of this study is to comprehensively explain the effect of socio-psychological antecedents and ethnocentrism on purchase intention.

Based on previous studies, this research seeks to investigate the relationship between socio-psychological, consumer ethnocentrism, and purchase intention. Therefore, this study aims to analyze the influence of socio-psychological antecedents on consumer ethnocentrism and the influence of ethnocentrism on the purchase intention of local cosmetics.

Based on the results of previous studies, the research hypothesis can be formulated as follows:

- H1: Cultural openness has a significant effect on consumer ethnocentrism. Alshammari et al. (2018), Chowdhury (2013), and Dogi (2015) suggest that cultural openness has a negative and significant effect on consumer ethnocentrism.
- H2: Patriotism has a significant effect on consumer ethnocentrism.

 Anastasiadou & Florou (2012), Dogi (2015), and Jain & Jain (2013) suggest that patriotism has a positive and significant effect on consumer ethnocentrism.
- H3: Conservatism has a significant effect on consumer ethnocentrism. Anastasiadou & Florou (2012), Dogi (2015), and He & Wang (2015) state that conservatism has a positive and significant effect on consumer ethnocentrism.

H4: Collectivism has a significant effect on consumer ethnocentrism. Ramadania (2013) and Vadhanavisala (2015) state that collectivism positively and significantly affects consumer ethnocentrism.

H5: Ethnocentrism has a significant effect on purchase intention. Udayani et al. (2018), Dewi and Sulistyawati (2016), and Maksan, Kovacic, and Cerjak (2019) state that ethnocentrism has a positive and significant effect on purchase intention in local products.

Figure 1 explains the above hypotheses, which show the significant effect of cultural openness, patriotism, conservatism, and collectivism on consumer ethnocentrism and the significant effect of consumer ethnocentrism on purchase intentions.

METHODS

The design of this study is cross-sectional, using a non-probability sampling (voluntary) method. The data collection was carried out online from October until November 2021 by distributing links and posters through various social media platforms, such as Instagram, Whatsapp, and Line. The population in this study was local cosmetic consumers in Indonesia who purchased and used cosmetics with a minimum age of 17 years. This study used primary data obtained from an online questionnaire using Google Forms distributed through social media. As many as 236 respondents filled in the questionnaire. However, 26 respondents were eliminated because they did not pass the screening stage. resulting in 210 respondents.

This study consisted of six latent variables: cultural openness, patriotism, conservatism, collectivism, ethnocentrism, and purchase intention. The indicators used in the questionnaire used a five-point Likert scale. The scores used were as follows: (1) strongly disagree, (2) disagree, (3) agree, and (4) strongly agree. Variables and indicators are presented in Table 1.

Data analysis was performed using SPSS 25 and LISREL 8.80. SPSS 25 software is used to test the validity and reliability of the questionnaire before conducting this study. The validity test aims to determine whether the variable indicators stated by the researcher to the respondents can be used or not. The variable indicators are valid if the Corrected Item-Total Correlation is greater than the r-table. The validity test showed that 26 indicators are valid and can be used in this study. The reliability test aims to measure the consistency of responses to each statement item in a questionnaire. The reliability test results of this study showed that all variables are reliable with Cronbach's Alpha value of above 0.60.

Based on the operational definition, Cultural Opennes (KB) is the willingness of respondents to accept the culture and products of other countries. This latent variable was measured by using questionnaire developed from Sharma, Shimp, & Shin (1995) and has 4 indicators, namely: (1) willing to meet people from other countries (KB1); (2) open-minded towards foreigners (KB2); (3) foreign cosmetics must have a place in Indonesia (KB3); and (4) the entry of foreign cosmetics is part of free trade (KB4).

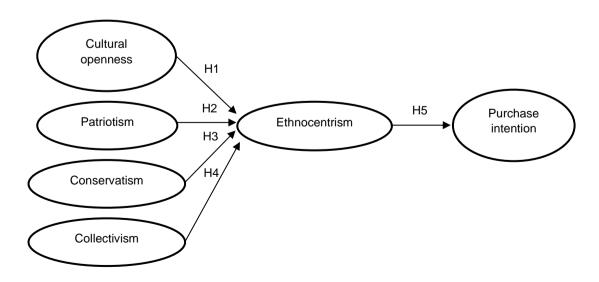


Figure 1 Research framework

Based on the operational definition, Patriotism (P) is the respondents' feelings of love and loyalty to the country and Indonesian products. This latent variable was measured by using questionnaire developed from Balabanis (2001) and has 4 indicators, namely: (1) not willing other countries to colonize Indonesia in any form (P1); (2) prioritizing local cosmetic products is essentially placing national identity above personal interests (P2); (3) the development of local cosmetic products must be supported (P3); and (4) the use of local cosmetic products is a form of love for Indonesia (P4).

operational definition. Based on the Conservatism (KON) is the attitude of the respondents in respecting the traditions, products, and social institutions of the Indonesian state. This latent variable was measured by using questionnaire developed from Wilson & Patterson (1968) and has 4 indicators, namely: (1) using local cosmetic products is essentially preserving the nation's cultural heritage (KON1); (2) local cosmetic products are a force in building the community's economy (KON2); (3) local cosmetic products develop from the habits/traditions of various cultures in Indonesia (KON3): and (4) foreign cosmetics are not following the uniqueness of Indonesia (KON4)

Based operational definition. on the Collectivism (KOL) is the tendency of respondents to include their goals in the goals of a group. This latent variable was measured by using questionnaire developed from Sharma et al. (1995) and has 4 indicators, namely: (1) confidence in a decision not solely from oneself (KOL1); (2) in making purchasing decisions, parental advice is still a consideration (KOL 2); (3) using local cosmetic products is essentially appreciating what has been produced by the nation itself (KOL3); and (4) selection of local cosmetic products in line with what is done by parents/family (KOL4).

Based on the operational definition, Ethnocentrism (ETNO) is respondents' perception of preferring local cosmetics over foreign cosmetics. This latent variable was measured by using questionnaire developed from Udayani et al. (2018) and has 6 indicators, namely: (1) always choosing cosmetics made in Indonesia over imported cosmetics (ETNO1); (2) Indonesians will only buy imported cosmetics if the cosmetics are not available in Indonesia (ETNO2); (3) buying cosmetics made in Indonesia can help maintain the country's economy, for it means keeping the domestic

business growing (ETNO3); (4) cosmetics made in Indonesia are the main reference when shopping (ETNO4); (5) Indonesians should buy local cosmetics as a patriotic taste (ETNO5); and (6) Buying imported cosmetics will hurt Indonesia's self-esteem because it can bring down the domestic cosmetic business (ETNO6).

Based on the operational definition, Purchase Intention (MB) is the attitude of the respondents in liking local cosmetic products, thus encouraging them to buy these cosmetic products. This latent variable was measured by using questionnaire developed from Udayani et al. (2018) and has 4 indicators, namely: (1) the intention to buy local cosmetics is higher than non-local (foreign) (MB1); (2) purchased more local cosmetics this year (MB2); (3) feeling happy when going to buy local cosmetics (MB3); and (4) interested in purchasing local cosmetics while shopping (MB4).

Structural Equation Modeling (SEM) analysis is to test research hypotheses and analyze the influence of socio-psychological antecedents on ethnocentrism and the influence of ethnocentrism on local cosmetic purchase interest. Data processing was carried out using LISREL 8.80 software. In general, the analysis in LISREL can be grouped into two parts: the measurement model and the structural model.

The measurement model describes the main relationship to measure the dimensions that build a factor or variable (Julianita & Sarjono, 2011). This model can describe the causal relationship between latent variables and their indicators using Confirmatory Factor Analysis (CFA). One of the CFA's purposes is to test the validity of the latent variables of the proposed measurement model theory. The variable indicators are valid if the standard loading factor (SLF) is \geq 0.50.

Based on the output from the CFA in the form of a standardized loading factor and a measured error, it can be used as the basis for calculating construct reliability (CR) and variance extracted (VE). According to Hair et al. (2014), the expected value of Construct Reliability is $CR \ge 0.7$. However, the CR value between 0.60-0.70 is still accepted, with a note that the validity value of the indicator shows good results. Therefore, the latent variable is considered reliable if the variance extracted (VE) value is ≥ 0.5 .

Table 1 Distribution of local cosmetic consumer respondents based on characteristics

Category	Description	Total	%
Gender	Female	186	88.6
	Male	24	11.4
Age	17-24	96	45.7
	25-34	69	32.9
	35-44	31	14.8
	> 44	14	6.6
Marital status	Single	112	53.3
	Married	98	46.7
Educational background	Senior/vocational high school	54	25.7
	Higher education	156	75.3
Occupation	Student	61	30.0
·	Entrepreneur	22	9.5
	Employee	87	41.4
	Civil Servant	31	14.8
	Others	9	4.3
Income/Month	< Rp 2.500.000	64	30.5
(Rp)	Rp 2.500.000 – Rp 5.000.000	49	23.3
	Rp 5.000.000 – Rp 10.000.000	72	34.3
	> Rp 10.000.000	25	11.9

Note: %= Percentage

The structural model is a model that describes the relationships between latent variables (Wijanto, 2008). Variables have a significant effect or accept the hypothesis if the value of |t-count| is greater than the t-table (1.96). On the other hand, the variable has no significant effect or rejects the hypothesis if the value of |t-count| is smaller than the t-table (1.96).

RESULT

Respondent Characteristics

The number of respondents in this study was 210, obtained using a questionnaire through Google Forms. The characteristics of consumers studied include gender, age, marital status, educational background, occupation, and income. The research results regarding the respondents' characteristics can be seen in Table 1.

Most of the respondents who consume local cosmetics are women (88.6%), aged between 17-24 years (45.7%), unmarried (53.3%), possessing higher education (75.3%), working as an employee (41.4%) with an income/month of Rp 5.000.000 – Rp 10.000.000 (34.3%) (Table 1).

This shows that the millennial generation (characterized by a young age) still has a large purchase intention for local cosmetic products. In particular, more women (88.6%) than men

(11.4%) have a great purchase intention in local cosmetic products. This may indicate that working as an employee, having higher education, and an income between Rp 5.000.000 – Rp 10.000.000 per month lead women always to look attractive and choose products that provide greater benefits at affordable prices. This leads to greater purchase intention for local cosmetic products.

The local cosmetic industry is currently experiencing rapid development. In 2020, the performance of the chemical-pharmaceutical and traditional medicine industries (including the cosmetic sector) grew by 9.39 percent. Even amid the Covid-19 pandemic, this sector contributed significantly to the GDP of 1.92 percent with an export value of USD 1.4 billion. Data from the Coordinating Ministry for Economic Affairs shows that there has been an increase in online transactions for body care products such as cosmetics and spas by 80 percent in 2020.

Table 2 The use of e-commerce in buying cosmetics

COSITICIN		
E-Commerce	n	Percentage (%)
Shopee	164	78.1
Tokopedia	22	10.5
Sociolla	14	6.7
Lazada	6	2.9
Others	4	1.8
Total	210	100

Table 2 shows that most respondents (78.1%) use Shopee e-commerce to buy cosmetics. In choosing cosmetics, 82.4% of them have considered local cosmetic products in the decision-making process. This indicates high consumer purchase intention on local cosmetics.

Socio-psychological Antecedents

Cultural Openness. On average, respondents (83.4%) have an attitude of cultural openness and enjoy cross-cultural interactions with other countries. In the KB1 statement, 90.4 percent of respondents said they enjoyed meeting people from other countries. This is supported by social media, which makes it easier for someone to interact with strangers. As many as 93.3 percent of respondents are open to foreigners (KB2). It will make respondents easier to accept and absorb foreign cultures (globalized mindset). This is supported by 61.5 percent of respondents who stated that foreign cosmetics must have a place in Indonesia. It means that respondents support the existence of foreign cosmetics in Indonesia. which then shows a negative attitude towards ethnocentrism. In statement KB4, 88.6 percent of respondents agreed that the entry of foreign cosmetics is part of free trade.

Patriotism. Most respondents (91.3%) had a patriotic attitude and prioritized local products as a form of their love for the country. In statement P1, 87.2 percent of respondents stated they were unwilling to colonize Indonesia. Also, 83.8 percent of respondents agreed that prioritizing local cosmetic products puts the nation's identity above personal interests (P2). This shows that consumers agree on the importance of prioritizing local cosmetic products as a form of one's sense of belonging to their country. The P3 statement has a very high percentage of agreement of 99.5 percent. This indicates that almost all respondents supported the development of local cosmetic products. The P3 statement can describe a person's form of love for their country when associated with the antecedent of patriotism by supporting local products. This is supported by the statement of P4, which shows that 94.8 percent of respondents stated that the use of local cosmetic products is a form of love for Indonesia.

Conservatism. The majority (77.9%) agreed with the indicators of the conservatism variable. In statement KON1, 85.2 percent of respondents stated that using local cosmetic products preserves the nation's cultural

heritage. One of the cultural heritages in the cosmetics industry is the heritage of beauty ingredients consisting of natural raw materials, which are continuously utilized by the domestic cosmetics industry. This is a strength and a great opportunity for the cosmetics industry to reach a wider domestic market and the potential for using natural raw materials in Indonesia. Ninety-nine percent of respondents agreed with KON2's statement that local cosmetic products are a force in building the community's economy. Then, 91 percent of respondents stated that local cosmetic products developed from the customs/traditions of various cultures in Indonesia (KON3). However, 63.8 percent of respondents thought cosmetics from abroad are in accordance with the uniqueness of Indonesia (KON4).

Collectivism. In general, many respondents (68.6%) agreed with the indicators of the collectivism variable. In the KOL1 statement, 69.5 percent of respondents stated that their belief in a decision is not solely from oneself. It means that the majority of respondents still consider the opinions or beliefs of others to convince them of their decision, 51.4 percent of respondents agreed that in making purchasing decisions, parental advice is still a consideration (KOL2), and the other 48.6 percent of respondents did not agree and made their own purchasing decisions without parental advice. In the KOL3 statement, most respondents (93.3%) stated that using local cosmetic products is essentially appreciating what has been produced by the nation itself. This supports the collectivist nature, which is more concerned with the group or, in this case, the local cosmetics produced by the nation. Sixtyone percent agreed to the KOL4 indicator, choosing local cosmetic products in line with what parents/families do.

Ethnocentrism

In general, many respondents (65.7%) agreed with the indicators of the ethnocentrism variable. In the ETNO1 statement, 64.8 percent of alwavs respondents chose Indonesian cosmetic products over foreign or imported ones. It means that respondents do not always choose local cosmetics and have the possibility to choose foreign or imported cosmetics, 51.4 percent of respondents stated that Indonesian people would only buy imported cosmetics if the cosmetics were not available in Indonesia. If the desired product is in Indonesia or local cosmetic products provide the products consumers want, consumers will not buy imported cosmetics. Most respondents (95.8%) stated that buying

cosmetics made in Indonesia can help maintain the country's economy because buying local cosmetics means keeping the domestic business growing (ETNO3). 78.6 percent of respondents stated that local cosmetics are the main reference when shopping (ETNO4). When consumers shop and are faced with various alternative products, both local cosmetics, and foreign cosmetics, consumers tend to make local cosmetics the main reference. This is also supported by 69,9 percent of respondents stating that Indonesians should buy local cosmetics as a patriotic attitude (ETNO5). The patriotic attitude of most respondents showed high consumer ethnocentrism because they agreed to buy local cosmetics as a form of one's love and devotion to their country. This is in contrast to the statement that 65.7 percent of respondents did not agree that buying imported cosmetics would hurt Indonesia's self-esteem because it could bring down the domestic or local cosmetic business (ETNO6).

Purchase Intention

The majority of respondents (84.4%) agreed on the four indicators of purchase intention. This indicates that respondents' interest in local cosmetic products is very large. In the MB1 statement, 82.4 percent of respondents agreed that the purchase intention for local cosmetics is higher than for non-local (foreign). It means that most respondents have a greater interest and intention to buy local cosmetics than foreigners. This was supported by the statement of 78.1 percent of respondents who said they would buy more local cosmetics this year. Most respondents (90%) feel happy when they buy local cosmetics (MB3). This means that almost all respondents felt happy and had pride in purchasing local cosmetics. This certainly can increase consumer purchase intention in local cosmetics because local cosmetics are the main choice in shopping. This statement is also supported by 87.2 percent of

respondents who stated that they are interested in buying local cosmetics while shopping (MB4).

Hypothesis Testing

Hypothesis testing was done by testing the path coefficients and t-count on the structural equation model. If the path coefficient value is > 0.05 with a t-count value > 1.96, the influence between variables is included in the significant category. On the other hand, if the path coefficient value is < 0.05 with a t-count value <1.96, it is included in the insignificant category. The results of hypothesis testing explain that the correlation between variables has a significant direct effect, such as cultural openness, patriotism, conservatism, collectivism on ethnocentrism. The influence of ethnocentrism, co-creation, and currency on purchase intention has a significant effect. However, there were some insignificant influences between variables, namely the influence of communal activation conversation on purchase intention. The results of the direct influence test of all variables are presented in Table 3.

The results of LISREL indicate the value of standardized indirect effects shows an indirect effect through ethnocentrism as an intervening variable or intermediary variable in this study. The results suggest that ethnocentrism significantly mediates the socio-psychological effect on local cosmetic purchase intention. This can be seen from the t-count value, which is greater than the t-table value (1.96). Based on the path coefficient value, conservatism influences purchase intention in local cosmetics through ethnocentrism, 0.18. The results of this test indicate that if management focuses on social psychology, it can effectively increase consumer purchase intention in local cosmetic products through ethnocentrism. The results of the indirect effect test for all variables can be seen in Table 4.

Table 3 The results of the direct influence test using the SEM Model

Path	Path coefficient	T-Statistic	Description
Cultural Openness (KB) □ Ethnocentrism (ETNO)	-0.14	-3.04	Significant
Patriotism (P) □ Ethnocentrism (ETNO)	0.23	4.09	Significant
Conservatism (KON) □ Ethnocentrism (ETNO)	0.38	6.23	Significant
Collectivism (KOL) □ Ethnocentrism (ETNO)	0.32	6.13	Significant
Ethnocentrism (ETNO) □ Purchase Intention (MB)	0.47	9.35	Significant

Path	Path Coefficient	T-Statistic	Description
Cultural Openness (KB) ☐ Ethnocentrism (ETNO) ☐ Purchase Intention (MB)	-0.06	-2.89	Significant
Patriotism (P) Ethnocentrism (ETNO) Purchase Intention (MB)	0.11	3.75	Significant
Conservatism (KON) ☐ Ethnocentrism (ETNO) ☐ Purchase Intention (MB)	0.18	5.19	Significant
Collectivism (KOL) ☐ Ethnocentrism (ETNO) ☐ Purchase Intention (MB)	0,15	5.13	Significant

DISCUSSION

Every consumer will consider various things in choosing the product they want to buy. Before making a purchase decision, consumers tend to consider whether they want to buy or not, which is measured by the level of probability that consumers make a purchase. This tendency is called consumer purchase intention. Purchase intention will arise after consumers receive stimulation from the product they see and then generate interest in trying the product to the point of wanting to buy.

'Intention' indicates a willingness or readiness to engage in purchasing behavior and is an important aspect that can determine future behaviors (Alam & Sayuti, 2011). From a marketing standpoint, an ethnocentric tendency is a consumer's positive perception of domestically-made products that, in turn, creates a preference for local products (He & Wang, 2015)

Information on the country of origin, either from within the country or abroad, is one of the considerations for consumers in choosing a product. Previous studies on purchasing domestic and foreign products have found that when the attitude towards and intention to purchase are positive, the consumer is highly likely to purchase that product (Giang & Khoi, 2015).

Based on consumer ethnocentrism. ethnocentric consumers have a strongly favorable attitude towards local products rather than foreign products. Previous studies found that consumer ethnocentrism positively affects purchase intention toward local products (Maksan et al., 2019; Qing, Antonio, & Li, 2012). This indicates that consumers have positive feelings towards domestic products and a bias against foreign products. Based on the previous findings, it can be expected that highly ethnocentric consumers will reject foreign products. In contrast, a consumer with lower ethnocentric feelings is more likely to have a positive attitude toward foreign products.

Shankarmahesh (2004) has summarized the antecedents of consumer ethnocentrism mentioned and empirically tested in previous research. There are four broad categories of antecedents consisting of socio-psychological, economic, political, and demographic. For this study, the antecedents focused on social psychology consisting of cultural openness, patriotism, conservatism, and collectivism. Studies related to the effect of socio-psychological antecedents also need to be done to determine the attitude a person must have to increase ethnocentrism.

Cultural openness is a person's desire to interact with people from other cultures, which provides an opportunity for consumers to choose foreign products. This cross-cultural miaht interaction reduce consumers' ethnocentrism when choosing local products over foreign ones. The results of this study are in line with research conducted by Alshammari et al. (2018), Chowdhury (2013), Jain & Jain (2013), and Ramadania (2013) that cultural openness has a negative and significant effect on ethnocentrism. This negative direction means that the higher the openness to consumer culture, the lower the attitude toward consumer ethnocentrism.

Patriotism has a positive direction of influence, meaning that a higher person's patriotic attitude might also increase consumer ethnocentrism. These findings support previous studies conducted by Anastasiadou & Florou (2012), Dogi (2015), and Jain & Jain (2013) that patriotism has a positive and significant influence on ethnocentrism. The attitude of consumer ethnocentrism can be increased by the attitude of someone who is more patriotic or loves his country more. However, this study is different from the findings of Ramadania (2013) and Vadhanavisala (2015), who found patriotism did not affect ethnocentrism.

The coefficient value of the conservatism variable is the largest compared to other sociopsychological antecedents. Thus, conservatism is a socio-psychological antecedent that is the main priority that influences increasing consumer ethnocentrism. Someone conservative might positively evaluate local cosmetic products in developing cultural traditions in Indonesia. Therefore, consumers prefer local cosmetic products to foreign cosmetics. This supports the findings by Anastasiadou & Florou (2012) and He & Wang (2015), who mentioned a positive relationship between conservatism and ethnocentrism. However, on the other hand, this study's results differ from Jain & Jain (2013) and Ramadania (2013), who could not prove the effect of conservatism on ethnocentrism.

Collectivism has a positive and significant effect on ethnocentrism. This positive direction means the increased collectivist attitude might increase consumer ethnocentrism. This is because a collectivist's attitude of respect makes him feel more concerned with his group than himself, and he tends to be more ethnocentric because he thinks his behavior can affect society. The results of this study are consistent with Ramadania (2013) and Vadhanavisala (2015), found that the socio-psychological antecedent of collectivism has a positive and significant relationship to ethnocentrism. Meanwhile, this study is in contrast to the research of Jain & Jain (2013), which did not significant relationship between collectivism and ethnocentrism.

In the last hypothesis, the ethnocentrism variable has the highest coefficient value, which positively and significantly affects purchase intention in local cosmetics. The result of this study indicates that ethnocentrism has an important role in consumer purchase intention. This positive direction means that the high consumer purchase intention in local cosmetic products is due to the ethnocentric attitude of consumers who prefer local products over foreign products. The findings of this study support Qing et al. (2012) and Maksan et al. (2019), who suggest that ethnocentrism has a positive and significant effect on purchase intention for local products. Similar studies by Udayani et al. (2018) on local cosmetic products in Denpasar and Dewi and Sulistvawati (2016) on Bali Alus products also show that ethnocentrism positively and significantly affects purchase intention in local cosmetics.

CONCLUSION AND SUGGESTION

Conclusions from this study: (1) interaction with foreign cultures, patriotism, conservatism, and collectivism that consumers have determines ethnocentrism and indirectly affects purchase intention in local cosmetics; (2) consumers' ethnocentrism plays an important role in increasing online consumer buying interest for local cosmetics.

This study has several limitations. First, the distribution of questionnaires using Google Forms through social media tends to be centered on the network of researchers, so the results cannot represent the population of local cosmetic users. Second, some of the indicators used in this study could not describe the variables perfectly.

The managerial implication of this research is to optimize the ethnocentrism approach to increase buying interest in local cosmetics. Therefore, the suggestions from the results of this study are: (1) the strategy that the company can apply is to communicate, inform and educate consumers about local cosmetic products committed to maintaining excellence of Indonesia's cultural heritage. Therefore, consumers who buy local cosmetic products are a form of "Proud of Indonesia"; (2) the government can encourage policies so that children receive training and discipline early in making, appreciating, and loving domestic products. Training and discipline can be carried out through families in collaboration with schools and companies so that values of community solidarity are formed to support local products; (3) local governments provide support for the promotion of local products by providing special locations to market local products and encouraging local employees to use local products.

The object of this study is local cosmetics in general, so further research can focus on one local cosmetics company or certain cosmetic products to get a specific strategy. Further research needs to investigate more variables such as country of origin, lifestyle, or marketing mix that affect purchase intention. In addition, researchers can also study other antecedents that affect consumer ethnocentrism, such as capitalism, leader manipulation, age, gender, income, or social class. Therefore, government and local companies can understand which factors affect ethnocentrism the most.

REFERENCES

Alam, S., & Sayuti, N. (2011). Applying the theory of planned behavior (TPB) in halal

- food purchasing. *International Journal of Commerce and Management*, 21(1), 8-20. doi: 10.1108/105692111111111676.
- Alshammari, E., Williams, M., & Morgan, N. (2018). The impact of consumer ethnocentrism and antecedents in an emerging market. *International Review of Management and Business Research*, 7(1), 214-222. doi: 10.1016/j.jnnfm.2015.01.003
- Amri, S., & Prihandono, D. (2019). Influence lifestyle, consumer ethnocentrism, product quality on purchase decision through purchase intention. *Management Analysis Journal*, 8(1), 25-38.
- Anastasiadou, S., & Florou, G. (2012).
 Consumer ethnocentrism, patriotism and animosity: the case of Greece students.
 3rd International Conference on Quantitative and Qualitative Methodologies, (3), 52-57.
- Apupianti, I. N., Sumarwan, U., & Tinaprilla, N. (2019). Influences of shopping lifestyle and reference groups towards purchase intention of preloved fashion. *Indonesian Journal of Business and Entrepreneurship (IJBE)*, 5(3), 252. doi: 10.17358/ijbe.5.3.252
- Azizuddin, I., Maksum, I., & Fikriah, N. L. (2020). Bauran pemasaran dan minat beli konsumen produk kosmetik wardah dalam perspektif Islam. *Journal Industrial Engineering and Management Research*, 1(2), 111-123. doi: 10.7777/jiemar.v1i2
- Badan Pusat Statistik. (2020). *Statistik e-commerce 2020*. Jakarta (ID): Badan Pusat Statistik.
- Balabanis, G. (2001). The impact of nationalism, patriotism, and internationalism on consumer ethnocentric tendencies. *Journal of International Business Studies*, 32(1), 157-175. doi: 10.1057/palgrave.jibs.8490943
- Chowdhury, T. A. (2013). Understanding consumer ethnocentrism in developing countries: case bangladesh. *Journal of Global Marketing*, 26(4), 224-236. doi: 10.1080/08911762.2013.814821.
- Dewi, I. A., & Sulistyawati, E. (2016). Pengaruh gaya hidup dan sikap etnosentrisme terhadap niat beli konsumen. *Jurnal Manajemen Unud*, *5*(8), 5128-5154.
- Dogi, I. (2015). Consumer ethnocentrism: a literature review. *Lucrări Științifice Management Agricol*, 17(2), 84-91.

- Giang, T., & Khoi, N. D. (2015). The impact of consumer animosity and consumer ethnocentrism on intention to purchase foreign products: the case of Chinese branded household appliances in Vietnam market. *Journal of Economics and Behavioral Studies*, 7(4), 22-36.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2014). *Multivariate data analysis*. 7th edition. New Jersey (USA): Pearson Prentice Hall.
- He, J., & Wang, C. L. (2015). Cultural identity and consumer ethnocentrism impacts on preference and purchase of domestic versus import brands: an empirical study in China. *Journal of Business Research*, 68(6), 1225-1233. doi: 10.1016/j.jbusres.2014.11.017
- Hsu, J. L., & Nien, H. P. (2008). Who are ethnocentric? examining consumer ethnocentrism in Chinese societies. *Journal of Consumer Behavior*, 7(20), 436-447.
- Jain, S. K., & Jain, R. (2013). Consumer ethnocentrism and its antecedents: An exploratory study of consumer in India. *Asian Journal of Business Research*, *3*(1), 1-18. doi: 10.14707/ajbr.130001
- Josiassen, A., Assaf, A. G., & Ingo, O. K. (2011). Consumer ethnocentrism and willingness to buy analyzing the role of three demographic consumer characteristics. *International Marketing Review*, 28(6), 627-646. doi: 10.1108/02651331111181448
- Julianita, W., & Sarjono, H. (2011). SPSS vs LISREL: sebuah pengantar aplikasi untuk riset. Jakarta (ID): Salemba Empat.
- Kim, S. N., Jung, H. J., & Oh, K. M. (2017). The effects of lifestyles on pursuing benefits and purchase intention of athleisure wear. Fashion and Textile Research Journal, 19(6), 723 – 735. doi: 10.5805/SFTI.2017.19.6.723
- Kotler, P., & Keller, K. L. (2009). *Manajemen pemasaran*. Jakarta (ID): Salemba Empat
- Kuswanto, H., Wildan, B. M. P, Imam, S. A., & Mutiah, S. (2019). Analysis of students' online shopping behaviour using a partial least squares approach: Case study of Indonesian students. Cogent Business & Management, 6(1), 1699283. doi: 10.1080/23311975.2019.1699283
- Maksan, M. T., Kovacic, D., & Cerjak, M. (2019). The influence of consumer ethnocentrism

on purchase of domestic wine: application of the extended theory of planned behavior. *Journal Appetite, 142.* doi: 10.1016/j.appet.2019.104393

- Matic, M. (2013). The impact of demographic and socio-psychological factors on consumers ethnocentric tendencies in Croatia. *Economic Research*, 26(3), 1-14. doi: 10.1080/1331677X.2013.11517618
- Mowen, J. C., & Minor, M. (2002). *Perilaku konsumen*. Jakarta (ID): Erlangga.
- Pham, V. K., Thu, H. D. T., & Thu, H. L. (2020). A study on the COVID-19 awareness affecting the consumer perceived benefits of online shopping in Vietnam. Cogent Business & Management, 7(1), 1846882. doi: 10.1080/23311975.2020.1846882
- Qing, P., Antonio, L., & Li, C. (2012). The impact of lifestyle and ethnocentrism on consumers' purchase intentions of fresh fruit in China. *Journal of Consumer Marketing*, 29(1), 43-51. doi: 10.1108/07363761211193037
- Rahman, M. A., Islam, M. A., Esha, B. H., Sultana, N., & Chakravorty, S. (2018). Consumer buying behavior towards online shopping: an empirical study on Dhaka city, Bangladesh. *Cogent Business & Management*, 5(1), 1514940. doi: 10.1080/23311975.2018.1514940
- Ramadania. (2013). Pengaruh karakteristik personal terhadap etnosentrisme konsumen pada produk domestik. *Jurnal Siasat Bisnis*, *17*(2), 239-250. doi: 10.20885/jsb.vol17.iss2.art8
- Santoso, D., Najib, M., & Munandar, J. M. (2017)
 Pengaruh persepsi risiko, price
 consciousness, familiarity, persepsi
 kualitas, dan citra toko pada minat beli
 konsumen. *Jurnal Ilmu Keluarga dan Konsumen*, 9(3), 218-230. doi:
 10.24156/jikk.2016.9.3.218
- Santoso, I., Mustaniroh, S. A., & Pranowo, D. (2018). Keakraban produk dan minat beli frozen foodL peran pengetahuan produk, kemasan, dan lingkungan sosial. *Jurnal Ilmu Keluarga dan Konsumen*, *11*(2), 133-144. doi: 10.24156/jikk.2018.11.2.13

- Shankarmahesh, M. N. (2004). Consumer ethnocentrism: an integrative review of its antecedents and consequences. *International Marketing Review*, 23(2), 146–172. doi: 10.1108/02651330610660065.
- Sharma, S., Shimp, T. A., & Shin, J. (1995). Consumer ethnocentrism: a test of antecedents and moderators. *Journal of* the Academy of Marketing Science, 23, 26-37.
- Sumiati. (2019). Dampak etnosentrisme dan budaya popular terhadap sikap konsumen serta implikasinya terhadap minat beli konsumen. *Jurnal Manajemen Bisnis dan Kewirausahaan*, *4*(2), 26-31. doi: 10.24912/jmbk.v4i2.7517
- Udayani, N. P. A., Wardana, M., & Giantari, I. G. A. K. (2018). Pengaruh consumer ethnocentrism terhadap country of origin dan purchase intention kosmetik lokal di Denpasar. *Jurnal Administrasi Bisnis*, 8(1), 21-47. doi: 10.36733/juima.v8i1.36
- Vadhanavisala, O. (2015). Ethnocentrism and its influence on intention to purchase domestic products: a study on Thai consumers in the central business district of Bangkok. *AU Journal of Management*, 12(2), 20-3.
- Wijanto, S. H. (2008). Structural equation modeling dengan LISREL 8.80. Yogyakarta (ID): Graha Ilmu.
- Wilson, G. D., & Patterson, J. R. (1968). A new measurement of conservatism. *British Journal of Social and Clinical Psychology*, 7(4), 264-26
- Yunus, N. S. N. M., & Rashid, W. E. W. (2016). The influence of country-of-origin on consumer purchase intention: The mobile phones brand from China. *Procedia Economics and Finance*, *37*, 343–349. doi: 10.1016/s2212-5671(16)30135-6
- Zunjur, A., & Lopez, J. C. (2017). A study of effect of consumer ethnocentrism and country of origin effect on purchasing intention: an empirical study of electronic items. *International Journal of Management Research & Review, 6*(7), 379-39.