

Consumer Ethnocentrism and Brand Loyalty towards Local Brands

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Abstract

This paper attempts to investigate how personality traits of consumers influence their ethnocentrism and brand loyalty towards local brands. The paper argues that certain personality traits of ethnocentric customers (i.e: Cosmopolitanism, Dogmatism, Collectivism, and Materialism) influence the strength of their brand loyalty towards local brands. A cross-sectional survey design, was applied to collect data using self-administered structured questionnaires distributed among 394 consumers in the FMCG industry. The findings of this study highlight the fact that the influence of personality traits on the brand loyalty of ethnocentric customers is not identical, and hence that they needed to be identified separately. In particular, cosmopolitanism, collectivism and dogmatism strengthen the influence of ethnocentrism towards brand loyalty while materialism weakened the impact of ethnocentrism on brand loyalty. Thus, this research extended the Theory of Reasoned Action by proving that attitude towards buying and subjective norms are the antecedents of performed behaviour, and they cannot be generalized across consumers but vary according to the predominant personality traits of consumers. This study has implications for local brand owners, in that they can understand the influence of personality traits and ethnocentric values of individual consumers on their brand loyalty towards local brands.

Keywords: Consumer ethnocentrism, Brand loyalty, Cosmopolitanism, Dogmatism, Collectivism, Materialism, Local brands

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DOI: <https://doi.org/10.33939/SJLM.24.01.03.2019>