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# THE ROLE OF CONSUMER ETHNOCENTRISM ON THE EFFECTS OF DOMESTIC VS FOREIGN PRODUCT FAILURE ON POST CONSUMPTION EMOTIONS AND COMPLAINT BEHAVIORS

by

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A Dissertation Submitted to the Faculty of Old Dominion University in Partial Fulfillment of the Requirements for the Degree of

# DOCTOR OF PHILOSOPHY BUSINESS ADMINISTRATION-MARKETING OLD DOMINION UNIVERSITY

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#### **ABSTRACT**

#### THE ROLE OF CONSUMER ETHNOCENTRISM ON THE EFFECTS OF DOMESTIC VS FOREIGN PRODUCT FAILURE ON POST CONSUMPTION EMOTIONS AND COMPLAINT BEHAVIORS

Kittinand Bandhumasuta Old Dominion University, 2017 Director: Dr. Mahesh Gopinath

It is well acknowledged that consumer ethnocentrism has a negative effect on evaluations of foreign products, brand-related attitudes toward foreign brands, and purchase intentions of the non-local products. However, an investigation into the role of consumer ethnocentrism at the post-consumption stage had been neglected. Specifically, when a product fails for a consumer. The main purpose of this dissertation is to study the role of consumer ethnocentrism on the post purchase consumption emotions and complaint behaviors. This dissertation proposes that cognitive appraisals of antecedent events and individual social traits will lead to differentiated outcomes. Domestic products that are perceived to be from one's own in-group will lead high ethnocentrism consumers to judge those products (in group) favorably compared to foreign products (out group). Therefore, when in-group members perform harmful actions, individuals may defend the negativity of the actions of the fellow group members and exhibit a high tolerance for their wrong doing. Two experimental studies in this dissertation provides evidence to support the proposition that highly ethnocentric consumers tend to lessen the importance of self-related failures but emphasize the failure of out-group members and punish the foreign products more severely than domestic products when the product fails. They showed higher level of negative emotions such as anger and regret for foreign product failures compared to domestic product failures. Similarly, they are more likely to engage in retaliatory behaviors such as negative word of mouth, switching, boycotting when foreign product fails. In contrast, in the

case of domestic product failure, high ethnocentrism consumers engage in more conciliatory		
behaviors.		

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This thesis is dedicated to two amazing women in my life. First, my mom who inspired me to pursue doctoral degree. Second, my wonderful wife, who always held my hands during this journey.

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I was told before I started my PhD journey that doing a PhD is like a roller coaster ride, where one can feel the ups and downs all through the way. Looking back at my long challenging road, I realize that those words are absolutely true. Though most of the time, I was happy about the process of learning, there are also many times I was exhausted and depressed. Without the assistance and support from many people, this dissertation, which is my dream, may not have been possible.

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#### **CHAPTER 1: STATEMENT OF THE PROBLEM**

#### Introduction

Globalization of the market place has been accepted as one of the pivotal developments facing companies around the world (Steenkamp & de Jong, 2010). Factors like the advancement of technology in communications, the improvement of transportation and logistics, the expansion of international culture, the loosening of trade barriers and regulations, and the interdependence of economies are accelerating the move towards globalization. The rise in globalization has had a major impact on both international companies and their consumers. Many multinational companies use outsourcing to cut costs and offer goods and services at lower prices. In addition, they expand their market to achieve the economies of scale. On the other side, consumers benefit from better prices and a wider variety of buying options. As a result, domestic products around the world are facing increasing competition from foreign-made products. This made it crucial for marketers to understand the attitudes, preferences and buying behavior of consumers toward domestic and foreign products (Netemeyer, Durvasula, & Lichtenstein, 1991). One of the constructs that can explain the differences in consumers' perception and evaluations between foreign products and domestic products is consumer ethnocentrism (Shankarmahesh, 2006).

Consumer ethnocentrism refers to consumer biases in favor of domestic over foreign products (Shimp & Sharma, 1987). The concept is postulated to be one component of a complex, multifaceted construct involving consumers, cognitive, affective, and normative orientations toward foreign-made products (Shimp, 1984). The influence of consumer ethnocentrism on consumer attitudes, intentions and actions is well established. Numerous researches in international marketing found that consumer ethnocentrism has a negative effect on consumer evaluations of foreign products (Klein, 2002; Klein, Ettenson, & Morris, 1998; Shimp & Sharma,

1987) as well as their attitudes toward foreign products (Sharma, Shimp, & Shin, 1995; Zarkada-Fraser & Fraser, 2002). In addition, several papers provide evidence that the foreign brand preference is moderated by the level of consumer ethnocentrism (Batra, Ramaswamy, Alden, Steenkamp, & Ramachander, 2000; Steenkamp, Batra, & Alden, 2003).

Consumer ethnocentrism is very important for international marketing strategy in many ways, not just from consumer purchasing behaviors perspectives. It could be used as an indicator to differentiate between markets that can be for standardized, and that requires specialization (Keillor, Hult, Erffmeyer, & Babakus, 1996). It is also important for market entry mode decisions (Fong, Lee, & Du, 2014), global branding (Guo, 2013), and marketing communication campaign (Puzakova, Kwak, Andras, & Zinkhan, 2015). More research is called for to better understand the concept of consumer ethnocentrism and its consequences (e.g. Hsu & Nien, 2008; Shankarmahesh, 2006; Upadhyay & Singh, 2006).

Despite the increased attention on the role of consumer ethnocentrism, most of the studies focus on the effect of the consumer ethnocentrism at the "pre-consumption stage". The study of consumer ethnocentrism at the "post-consumption stage" had been neglected, specifically when consumers are faced with the product failure. Imagine two customers, Alex (high level of consumer ethnocentrism) and Terry (low level of consumer ethnocentrism), each buy a new printer. After couple of weeks, they both find that the printer picks up multiple sheets from the feed tray instead of a single sheet. Consequently, it causes paper jams. Would their emotions and behavior responses to the product failure be different? Would the country of manufacture (domestic vs. foreign) have different effects on Alex's emotional experiences and post-purchase behaviors? Would it be the same for Terry? Would they punish the domestic and foreign product in the same way? Why would Alex and Terry show different types of emotions and post

purchase behaviors? Which type of emotions should be more expected in each situation? Would their complaint behavior have the same motivation and purpose?

To better understand the role of consumer ethnocentrism in the post-consumption stage, this dissertation explores the role of consumer ethnocentrism in the situation of product failure which, in this study, was defined as "the failure of the product to maintain the desired quality after purchase". Specifically, it investigates consumers' post consumption emotions and their complaint behaviors based on their level of consumer ethnocentrism and country of origin of product failure. Hypotheses are developed based on relevant literature, and tested quantitatively through an experimental design.

#### **Theoretical Background**

Over a couple past decades, consumer ethnocentrism is one the topics that have been extensively investigated. The concept of consumer ethnocentrism, which is defined as "the beliefs held by consumers about the appropriateness, indeed morality, of purchasing foreign made products" (Shimp & Sharma, 1987, p. 280) is considered an important predictor of consumer behavior in the fields of international marketing (e.g. Balabanis & Diamantopoulos, 2004; Shankarmahesh, 2006; Wang & Chen, 2004; J. J. Watson & Wright, 2000). It is a derivation of the original concept of ethnocentrism which relates to the theories of self-concept, social identity, and intergroup relations.

Generally, ethnocentrism involves symbolic items that are a source of attachment and unified pride for an ethnic or national group. These symbols are used to differentiate their group from others. High ethnocentrism consumers have strong mentality to distinguish themselves from the others. They nourish their own pride and believe that their group is superior to others.

Thus, high ethnocentrism consumers have a high tendency to bias evaluation of in-group members as compared to out-group members.

The concept of in-group favorability bias can be explained by self-concept and social identity theory. Self-concept is all the thoughts, feelings and perceptions that the individual holds about his "self" (Reed, 2002). Social identity is that part of one's self-concept arising from one's perceived membership in a social group (Tajfel, 1978, 1981; Tajfel & Turner, 1979). Based on social identity theory, individuals are motivated to maintain positive perceptions of in-groups (Tajfel & Turner, 1986). As a result, the perception of one's own in-group value will lead to favorable judgments of domestic-made products (in group) compared to foreign-made products (out group). Therefore, when in-group members perform harmful actions, individuals may defend the negativity of their actions and thus, maintain a positive image of "our" group membership (and in turn ourselves) and exhibit a high tolerance for their wrong doings (Ma, Wang, & Hao, 2012).

Consistent with the above discussion, cognitive appraisals theory elaborates more on the underlying reasons why consumers respond to the same events with different emotions.

Appraisal theory suggests that the evaluations and interpretations of an event will determine whether an emotion will be felt and which emotion it will be (Gopinath, 1996). In other words, people's individual patterns of appraisal could explain the differences in emotional reactions to the same event. For example, one person may respond to being laid-off from a job with anger if he appraises the situation as unfair treatment by his boss, while another person may respond with joy since he is getting a huge compensation for this early retirement. Thus, the emotion felt depends on how the individual appraises the antecedent condition.

#### **Purpose of Research**

The overall purpose of this dissertation is to examine how consumer ethnocentrism affects the post consumption emotions and behavioral responses. To achieve this goal, this dissertation will extend previous research by combining five streams of research in marketing including consumer ethnocentrism, country of origin, cognitive appraisal, post consumption emotions and complaint behaviors to explain the role of consumer ethnocentrism on customers' emotional and behavior responses to product failure.

This dissertation will address two key questions regarding how individuals' appraisals influence specific emotional reactions that in turn influence post-purchase behaviors. (1) How will the level of consumer ethnocentrism and country of origin cause different emotional and behavior responses? (2) By decomposing the country of origin to country of manufacture and country of origin of brand, how will these two constructs influence the emotional and behavioral responses?

#### **Proposed Conceptual Model**

To answer these research questions, this dissertation has developed a conceptual model with country of origin of product failure and consumer ethnocentrism as the independent variables.

To explore post-consumption emotions which is one of dependent variables, this dissertation chose to examine the specific emotions instead of using a general negative valence. Previous studies have shown that a general valence-based approach might not be enough for marketers to predict what specific coping and behavioral tendencies and what specific recovery strategies that consumers are likely to engage in. Prior research in psychology shows that

different specific emotions result in different coping styles (Lazarus, 1991) and behavioral consequences (Frijda, Kuipers, & Schure, 1989).

In the marketing context, several studies show that emotions that have similar valence can have both distinctive antecedents and behavioral consequences (Bonifield & Cole, 2007; Bougie, Pieters, & Zeelenberg, 2003). For example, research has found that among all negative emotions, anger has a high correlation with retaliatory behavior and typically energize people to act (Bonifield & Cole, 2007; Shaver, Schwartz, Kirson, & O'connor, 1987), regret is more related to control or change of situation which likely leads to switching behavior (Yi & Baumgartner, 2004; Zeelenberg & Pieters, 1999), worry leads to more engagement in problem solving, seeking social support and self-control (Yi & Baumgartner, 2004) and disappointment leads to negative word of mouth and complaining (Zeelenberg & Pieters, 1999). Therefore, nineteen of negative emotions (include anger, frustration, irritation, mad, hostility, disgust, hate, dislike, sadness, upset, distress, sorrow, worry, nervous, anxiety, insecure, guilt, shame and regret) were chosen as dependent variables of the post-consumption emotions.

In addition, the same specific emotions but at different targets might cause distinct effects on their behavioral responses. Therefore, this dissertation will study consumers' emotions toward three (study 1) and four (study 2) different targets which are towards self, towards brand and towards the country of origin of the product (two dimensions of country of origin which are country of manufacture and country of origin of brand in study 2). This will illustrate more understanding of how each emotion at different targets affect the complaint behaviors.

Next group of dependent variables is a set of complaint behaviors. By synchronizing the previous literature in the consumers' complaint behaviors, this dissertation offers to examine various type of complaint responses. Not only the actions of complaint responses was

investigated, this dissertation also explores consumers' insight to understand their underlying mindsets, motivation and desires that trigger their behavioral response. More specifically, two consumers may react to the situation of product failure in the same way by directly complaining to the sellers. However, one consumer may intend to find a way to solve the problem (e.g., discussing with the service representatives constructively to come up with a solution), while another consumer may desire to engage in vindictive complaining (e.g., giving the service employees a hard time to make someone from the organization pay for the mistake). With this extension, marketers will learn the relative impact of products failures on customers' emotional coping and behavioral responses.

In summary, the conceptual model (Figure 1) propose that the interaction of the level of consumer ethnocentrism and country of origin of product failure will cause different post consumption emotions and behavioral responses between groups. More specifically, consumers with a high level of ethnocentrism tend to be more likely to disregard negative reactions if the failed product is made in home country. In contrast, the degree of the negative reactions would be higher if the product that failed is made elsewhere.

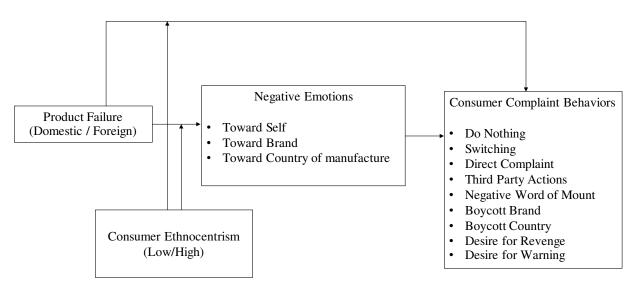


Figure 1 Conceptual Model (Study 1)

Through two experiments, this dissertation provides support for the proposition that high ethnocentrism consumers have a biased evaluation in term of post-consumption emotions and complaint behaviors after product failure. Specifically, they have a high tendency to engage in conciliatory behaviors if the product that fails is recognized as domestic product. In contrast, in the case of foreign product failure, high ethnocentrism consumers involve more in retaliatory behaviors.

#### **Significance of the Study**

This dissertation aims to investigate the effects of consumer ethnocentrism and country of origins on negative post consumption emotions and complaints behaviors. The results from this study could facilitate international marketers to understand the role of country of origin and consumer ethnocentrism towards consumer's post- consumption emotions and their complaint behaviors. Knowing how consumers respond to dissatisfied consumption would be valuable information to manufactures. By selectively managing appropriate recovery strategies, the firm may be able to reduce the cognitive negativity resulting from product failures. In addition, this

dissertation also sheds light on the importance of the role of consumer ethnocentrism in the postconsumption stages to academic scholars for further study and advance knowledge in this field of research.

#### Contribution

This dissertation makes several theoretical and managerial contributions. First, this dissertation was the first study to extend the importance role of country of origin effect and consumer ethnocentrism from pre-consumption stage to post-consumption stage. Second, this dissertation provides the first empirical test of the interaction of country of origin and consumer ethnocentrism in the context of post consumption emotions and complaint behaviors. It is very important for international marketers to understand how and why each consumer act differently when mistakes occur. Third, in the second study, this dissertation decomposes the country of origin concept into two components of country of manufacture and country of origin of brand. By doing this, the results revealed that each dimensions of country of origin have influences on the post consumption emotions and complaint behaviors differently.

#### **Dissertation Organization**

This dissertation is organized into seven chapters. Chapter 1 presents the introduction of this study which include statement of problem, gap in the literature on the issue of consumer ethnocentrism, the objective of this study, research questions and conceptual model. Chapter 2 is comprised of an extensive review of the literature that related to the conceptual model for study 1. Based on literature finding, hypotheses were developed and presented for experimental study 1. Chapter 3 describes the methodology and design in order to test hypotheses in study 1. This include data collection procedure, sampling issue, and measurement of variables. Chapter 4 consists of the statistical analyses and interpretation of the data results of study 1. Chapter 5

extends the results of study 1 to develop a conceptual model for study 2. Hypotheses and research methodology are also presented. Chapter 6 discusses results from study 2. Chapter 7 provides a brief discussion of conclusions that may be drawn from this dissertation. Implication, limitations and future research directions also discussed.

#### **CHAPTER 2: LITERATURE REVIEW**

The integration and interdependence of the economic, political and social environments, has led business firms to diversify across borders to pursue of new opportunities. This increased internationalization has impacted both sellers and buyers in a number of ways. Domestic manufactures face increasing challenge from foreign manufactures. Buyers have larger number of choices. While some domestic consumers are willing to buy these foreign-made products, others resist. Thus, it is important for international marketers to understand the attitudes, preferences, and buying behavior of consumers to be successful. Especially, to answer the question how and why consumers choose between domestic products and products of foreign origin (Netemeyer et al., 1991). Previous studies have shown that consumers do not evaluate domestic and foreign products in the same way (Bilkey & Nes, 1982; Insch & McBride, 2004; Knight, 1999). Some consumers link foreign products to superior perceived quality, superior prestige and, through them, to purchase likelihood. This can be explained by the concept of country of origin effects. In contrast, some consumers believe that it is more appropriate to choose a domestic product rather than a foreign-made product. One of the factors that may explain this preference is the concept of consumer ethnocentrism (Altintas & Tokol, 2007).

#### **Consumer Ethnocentrism**

The foundations of "consumer ethnocentrism" were derived from the original psychological concept of ethnocentrism. Ethnocentrism is a word composed of two terms "ethnic" which means groups and "centrism" which means center (Usunier & Lee, 2005). The concept was initially defined by Sumner (1906) as "the view of things in which one's own group is the center of everything, and all others are scaled and rated with reference to it. Each group

nourishes its own pride and vanity, boasts itself superior, exalts its own divinities and looks with contempt on outsiders" (p.13).

Accordingly, ethnocentrism is treated as a behavior of in-group favorability and outgroup bias. More specifically, the we-group (in-group) is characterized by feelings of superiority and pride, believing that they are superior to out-groups (LiVine & Campbell, 1972).

Various explanations have been suggested for sources of ethnocentrism. Adorno, Frenkel-Brunswik, Levinson, and Sanford (1950) viewed ethnocentrism as an ideological system, whose main characteristic is the generality of out-group rejection. The construct implies an individual tendency to negatively evaluate a number of out-groups. In other words, while the in-group is perceived as a unique entity, the totality of the other groups is treated as another entity. As a consequence, the in-group negatively assesses the out-groups with no exception.

Javalgi, Khare, Gross, and Scherer (2005) argue that the concept of ethnocentrism can be extended to the field of marketing when factors that influence and forge consumer behavior are taken into consideration. Marketing researchers have derived an ethnocentric theory to study consumer behavior with regards to purchasing behavior. Researchers have referred to this concept as "consumer ethnocentrism".

Utilizing the same underpinnings as the construct of ethnocentrism in sociology, Shimp and Sharma (1987) formulated consumer ethnocentrism as "a domain specific concept for the study of consumer behavior with marketing implications" and defined consumer ethnocentrism as the beliefs held by consumers about the appropriateness and morality, of purchasing foreignmade products in the place of locally made products. Therefore, from a view point of ethnocentric consumers, purchasing imported goods may be seen as wrong because by doing so, it may harm the domestic economy, have an adverse impact on domestic employment, and

sometimes even seem unpatriotic (Shimp & Sharma, 1987). As a result, consumer ethnocentrism is believed to provide individuals with directions, a sense of belonging to a group and some 'rules' relating to their purchase behavior so that they have standardized perceptions of what is acceptable and what is inappropriate.

According to Sharma et al. (1995), the characteristic of high ethnocentrism consumers are as follows: first, a benevolent love and concern for the welfare of one's own country; second, the intention or willingness not to purchase foreign products; third, a personal level of prejudge against imports. Therefore, highly ethnocentric consumers tend to distinguish products from the in-group (home country) and out-groups (foreign countries) and likely to make biased judgment by being more inclined to adopt the positive aspects of local products and discount the goodness of foreign-made products. In contrast, non-ethnocentric consumers evaluate products on other merits such as intrinsic cues, while ethnocentric consumers consider only the origins of a product regardless of other intrinsic cues, such as design, quality or price (Shimp & Sharma, 1987).

\*\*Antecedents of Consumer Ethnocentrism\*\*

Ethnocentric tendencies of consumers do not develop in isolation, but should rather be seen as being part of a collection of influences (Sharma et al., 1995). A variety of antecedents have been identified in the literature and can be classified into four categories, namely socio-psychological, economic, political and demographic (Shankarmahesh, 2006). The socio-psychological antecedents refer to concepts that examine individuals' world orientation such as cultural openness (Strizhakova, Coulter, & Price, 2008), world mindedness (Rawwas, Rajendran, & Wuehrer, 1996), patriotism (Balabanis, Diamantopoulos, Mueller, & Melewar, 2001), conservatism (Javalgi et al., 2005), and collectivism (Sharma et al., 1995). The demographic

variables such as, age, gender, education, and income, were expected to co-vary with consumer ethnocentrism levels.

#### Consequences of Consumer Ethnocentrism

The influence of consumer ethnocentrism on consumer attitudes, intentions and actions is well established. Empirical research has determined that consumer ethnocentrism directly effects the attitude toward foreign products (Sharma et al., 1995; Zarkada-Fraser & Fraser, 2002) as well as the negative evaluations of foreign products (Durvasula, Andrews, & Netemeyer, 1997; Poon, Evangelista, & Albaum, 2010; Verlegh, 2007). In addition, studies also found a significant negative relationship between consumer ethnocentrism and willingness to buy foreign products (Klein et al., 1998; Kwak, Jaju, & Larsen, 2006; Suh & Kwon, 2002). Conversely, there is empirical support for a positive relationship between consumer ethnocentrism and domestic products (Ranjbarian, Rojuee, & Mirzaei, 2010; Verlegh, 2007; Wang & Chen, 2004). When comparing domestic to foreign products, ethnocentric consumers rate domestic products as higher quality even when evidence to the contrary exist (Hamin & Elliott, 2006; Huddleston, Good, & Stoel, 2001). Indeed, ethnocentric consumers prefer to buy domestic products in many cases despite negative inconsistencies in quality, price and availability (Herche, 1992; Sharma et al., 1995).

In term of brand, numerous studies have been conducted to investigate the effect of consumer ethnocentrism toward brand including, brand trust (Lee & Mazodier, 2015); brand personality (Supphellen & Grønhaug, 2003); brand globalness (Steenkamp et al., 2003); and foreign brands (Hsu & Nien, 2008; Wanninayake & Chovancová, 2012). In general, research provides evidence to support the overall effect of consumer ethnocentrism. Specifically, highly

ethnocentric consumers prefer domestic over foreign brands. In addition, it has a negatively related to global brand preference.

#### **Outcome Failure from Attributional Perspective**

Even though preventing product failure is one of the most important missions for a manufacturing firm, mistakes are inevitable. Product failures occur when the product does not perform as anticipated. Numerous studies have devoted attention to studying the issue of product failure, especially for the negative consequences of product failures (e.g. Folkes, 1984; Weiner, 1985)

The expectation disconfirmation theory is a generally accepted theory for marketing managers to understand consumer satisfaction (Teas, 1993). Disconfirmation is caused by the dissonance between an individual's original expectations and observed performance (Bhattacherjee & Premkumar, 2004). If a product outperforms expectations, that may lead to post-purchase satisfaction. In contrast, if a product falls short of expectations, the consumer is likely to be dissatisfied (Oliver, 1980; Spreng, MacKenzie, & Olshavsky, 1996).

Therefore, when a product fails, a consumer feels disappointment which is a mild expression of the felt negative affect. Social psychology literature suggests that consumers then generally try to find reasons why a product has performed differently than anticipated (Folkes, 1984). That is, when events do not conform to expectations, such events are thought to bring about attributional processing and most of the time it occurs immediately without elaborate processing (Bonifield, 2002). In addition, it occurs far more often with the unpleasant outcome compared to product success (Folkes, 1988; Gaeth, Levin, Sood, Juang, & Castellucci, 1997; Oliver, 2014; Weiner, 2000). This seems that consumers do not ask why the purchasing products works, but question why the product failed and what caused it. In addition, the chance of

attributional processing to occur also depends upon the significance of product failure. When the failure was not significant to the consumer or the failure was expected, the attributional processing does not occur. In contrast, it appears that attributions have a high chance to occur when there is a motivating stimulus like the locus of control, stability and controllability (Bonifield, 2002; Weiner, 1972).

Attribution theory views people as rational information processors whose actions are influenced by their causal inferences. As a result, in the context of consumer complaining behavior, consumers' reactions can be predicted by examining the cause's underlying properties or dimensions that consumers perceive as a reason for failure (Curren & Folkes, 1987). An example of this could be when a consumer buys a smartphone and then discovers that it cannot connect to internet. Attribution theory suggests that they may search for a reason for this and may attribute the failure to reasons such as their lack of technological knowledge, inferior networking or a faulty smartphone.

A central premise within attribution research is that there is a dimensional structure underlying the explanations people give for events (e.g. Abramson, Seligman, & Teasdale, 1978; Weiner, 1985), and by categorizing explanations into dimensions, one can better understand those explanations (Rees, Ingledew, & Hardy, 2005). According to Biddle, Hanrahan, and Sellars (2001), five principle dimensions have been proposed which include controllability (those causes that are affected by the individual or not affected by the individual), locus of causality (causes perceived as residing within or without the individual), stability (causes perceived as being stable or transient over time), intentionality (causes deemed to be either deliberate or accidental), universality (extent to which the cause is perceived to be common among others, or specific to

the individual) and globality (causes deemed to be perceived as localized or occurring across many situations).

Previous researches have demonstrated (Folkes, 1984; Folkes, Koletsky, & Graham, 1987) that consumers' perceptions of the causal dimensions are linked to a variety of consumer expectations and behavior responses. For example, with firm-caused failure, consumers are more likely to be less satisfied, more negative for brand evaluations, more negative emotions and stronger equity reactions (Bitner, 1990; Choi & Mattila, 2008; Folkes, 1984). These reactions included complaints, requests for compensation, demands for apology, anger, and a desire for revenge. Moreover, these feelings are more intense when they believe that cause of failure is controllable by the firm. On the other hand, with consumer-caused failure, consumers are less likely to blame the firm (Folkes, 1984) and more willing to discuss the product in a positive light (Curren & Folkes, 1987).

Attributions for product failures also generate emotions. However, the type and intensity of emotions may differ based on the process that consumer infer to the cause of failure in each attributional dimension. For example, consumers who perceive product failures was caused by an uncontrollable factor from a firm are less angry with that firm (O'Malley, 1996). More recently, Biddle et al. (2001) suggest that each attribution dimensions have directed link with some specific emotions such as (a) self-esteem emotions (e.g., pride) are associated with an internal causality dimension, (b) emotions related to expectancy (e.g., hope) are associated with the stability of attributions, (c) social emotions (e.g., guilt) are related to the controllability of the outcome.

Even though the attribution theory may able to explain the occurrence of events, sometimes people evaluate the significance of what's happened in the different way (Anderson,

Krull, & Weiner, 1996; Rees et al., 2005). For example, two consumers buy a sport-team jersey from official store they support and found that jersey shrinks after washing. From attribution perspective, they both realized that the manufacturer uses the poor-quality material which causes the failure. However, the reaction from two consumers may be different. The first consumer may be angry towards the manufacturer and prefer a refund. On the other hand, the second consumer may not feel any negative emotions because he believes that the money he spent is to support the sport team he loves. Therefore, the attribution theory alone is not sufficient to anticipate the post consumption emotions and behavior responses to product failure.

#### **Appraisal Theory**

Even though literature on attributions suggests how the causes of events can influence emotional reactions, expectations of future success and motivation, it is important to note that the cause of events is not enough to predict emotions. Appraisal theory has been suggested in such instances to predict and understand the emotional responses (Oatley & Johnson-Laird, 1987; Ortony, Clore, & Collins, 1988; Roseman, 1984; Scherer, Schorr, & Johnstone, 2001; C. A. Smith & Lazarus, 1993). Roseman and Smith (2001) provide three reasons in support of the appraisal theory over other theories of emotional expression. First, it accounts for the differentiated nature of emotional response. Second, appraisal theory explains the individual and temporal differences in emotional response. It means the same situation may evoke a different emotional reaction for different observers (two students feel the different way when they get "B" grade, one might be disappointed while other is happy). In addition, the same person may experience a different emotion over time as his/her view of the situation changes (Mr. Tom is disappointed to get "B" grade when he did not study enough before the final exam, but he feels satisfied to get "B" grade when he was sick before the exam). Third, appraisal theory is able to

explain the range of situations that evoke the same emotion (a person can experience sadness in response to different events). Each separate event would involve the same appraisals. Any time a set of appraisals are same, it will result in the same emotion, regardless of the situation.

Appraisal Theory is a cognitive theory of emotion which claims that emotions are elicited by evaluations (appraisals) of events and situations and not the events or situations themselves. Cognition alone provides information about the event and nothing more; however, the appraisal process, during which interpretation of the event takes place, is what differentiates which emotions will be elicited in response to the given situation (Lazarus, 1991).

Therefore, when an event or stimulus is perceived, a person automatically makes judgments about features of that event (e.g., potential harm). This patterned set of judgments constitutes an appraisal. Differentially patterned appraisals correspond to distinct emotional experiences. Each emotion is also characterized by a motivational or action readiness component, which can be the impetus for subsequent behavior. The goal of appraisal theorists is to discover the variety of evaluations that are integral to the wide range of emotions experienced.

A number of appraisal theories attempt to explain what occurs during the appraisal process. These theories adapt a dimensional approach to emotion elicitation and differentiation, which distinguishes one theory from another. Smith and Ellsworth (1985, 1987) used the five appraisal factors of pleasantness (whether an experience is pleasant or unpleasant), certainty (whether the situation involves uncertainty or certainty about what's happening), self/other agency (whether the events are controlled by self or another person or no one), attentional activity (whether a person is trying to devote attention to a stimulus or divert attention away from it), and anticipated effort (the amount of effort seen as needed to deal with it). Roseman (1979) proposed that different combinations of five appraisal dimensions are expected to elicit different

influencing emotions. These are (a) motivational state: whether an individual's motive in a given situation is aversive (a punishment that he or she seeks to avoid) or appetitive (a reward that he or she seeks to attain), (b) situational state: whether the motivational state (the punishment or reward) is present or absent in the situation to which the individual is reacting, (c) probability: whether the occurrence of an outcome is uncertain or certain, (d) legitimacy: whether a negative outcome is deserved or a positive outcome is deserved in the situation, and (e) agency: whether an outcome is caused by impersonal circumstances, some other person, or the self.

Appraisal theory is supported by several empirical findings in naturally occurring situations (e.g. Folkman & Lazarus, 1985; Levine, 1996; C. A. Smith & Ellsworth, 1987) and in laboratory studies (e.g. Ellsworth & Smith, 1988; Scherer, 1993; C. A. Smith & Lazarus, 1993). In a recent experimental study, Siemer, Mauss, and Gross (2007) created an ambiguous situation, which provoked different emotional reactions across participants. Participants' differing reactions could be predicted by their specific appraisal profiles, leading the authors to the conclusion that "appraisals may be necessary and sufficient to determine different emotional reactions towards a particular situation" (p. 592). This conclusion captures the core postulate of appraisal theories despite differences between specific models.

Lazarus's (1991) appraisal theory was chosen and used in the current dissertation because of its applicability and conciseness. Lazarus' theory consists of six dimensions of appraisal and categorizes them into primary and secondary appraisal. The primary appraisal is defined as an evaluation of the personal relevance of a situation, while secondary appraisal involves judgments about options for coping.

According to Lazarus (2001), primary appraisal consists of goal relevance, goal congruence, and type of ego-involvement. Perhaps the most important aspect of appraisal for

producing emotion is goal relevance. Goal relevance indicates the extent to which an event or an outcome is personally relevant to the individual. Therefore, if there is no goal relevance, there cannot be any emotion. For example, parents who buy cookies in the purpose of supporting school fundraising should not engage in any negative emotions even though they realized that the taste of cookies are not good. Goal congruence indicates the extent to which an event or an outcome is congruent or incongruent with an individual's wants or desires. If the outcome is perceived as being desirable, then a positive emotion is likely to occur, whereas a negative emotion is likely to occur when the outcome is perceived as being undesirable. Finally, egoinvolvements refer to commitments or goals that are relevant to one's ego-identity. That is, goals that center on the self or on one's core beliefs are believed to play a large role in shaping the emotional experience. Lazarus lists six aspects of the ego-identity which are self and social esteem, moral values, ego-ideals, meanings and ideas, other persons and their well-being and life goals. These type of ego-involvement goals elicited by a situation or event will determine the specific type of emotion felt. To quote Lazarus (2001), "Shame, pride, and anger are consequences of the desire to preserve or enhance self- or social esteem. Guilt is about moral issues. Anxiety is, in the main, an existential emotion..." (p. 57).

The secondary appraisal consists of blame/credit, coping potential, and future expectations. Blame and credit are appraisals that require a judgment about who or what is responsible for a certain event. Lazarus (2001) is wary to spotlight that blame and credit are not mere attributions, such as the concept of responsibility, but instead are evaluations based on whether one judges the situation as intentional and/or capable of being avoided. For example, the consumers who experience a flight delay might attribute blame to the airline if they appraise the airline as inefficient and poorly managed. On the other hand, if the delay is caused by the bad

weather which is unavoidable, it is less likely that the consumers will blame the company.

Coping potential reflects beliefs about one's own ability to enact possible coping strategies. For example, while waiting for a food in the restaurant more than half an hour, rather than feeling anger, some consumers might feel anxiety and do not want to complain directly to the server because they believe that complaining might result in their unwanted attention and response.

Lastly, future expectations refer to a person's belief in whether conditions will improve or deteriorate, after the event is complete. Normally, future expectations are informed by participants' past experiences, such that a person who has hurt one repeatedly in the past would set an expectation that it would likely continue in the future. Therefore, the consumers who experience delay from inefficient management and believes that the situation will never improve might worry if they have to use the service again.

#### **Emotions**

Emotion is a primary mental mechanism that happens in our daily life and consequently influence perception, thought, and behavior (Frijda, 1993; Izard, 1991; Moore & Isen, 1990; Oatley, 1992; Plutchik, 1984; Tomkins, 1984). However, there is no universal agreement amongst philosophers or psychologists on the definition of emotion. Emotions have been defined from different perspectives by different researchers. For example, Plutchik (1984) described emotions as responses involving "cognitive evaluations, subjective changes, autonomic and neural arousal, impulses to action, and behavior designed to have an effect on the stimulus that initiated the complex sequence" (p. 217). Izard (1991) defined emotion as a feeling an individual experiences, and that subsequently assists in motivating, organizing and guiding perception, thought and action. Bagozzi, Gopinath, and Nyer (1999) viewed emotion as a mental state of readiness that arise from cognitive appraisals of events or thoughts; has a phenomenological

tone; is accompanied by physiological processes; is often expressed physically; and may result in specific actions to affirm or cope with the emotion, depending on its nature and meaning for the person having it.

According to L. Watson and Spence (2007), there are three generally accepted approaches to studying emotions in the marketing field: categories, dimensions, and cognitive appraisals.

The categories approach does not attempt to determine the causes of emotions, but rather to group emotions based on their similarities. For example, Plutchik (1980) proposed eight categories of emotion in which one "basic" emotion (e.g. anger) is used as an exemplar to determine what other emotions should be grouped in that category.

Second, the dimension approach, this approach uses the affective dimensions of valence and the level of arousal to differentiate emotions (Athiyaman, 1997; Mano, 1990). While this approach offers some explanation, it lacks ability to account for differences between behaviors driven by emotions of similar valence and arousal levels, such as the highly negative emotions of shame, fear and anger. Zeelenberg and Pieters (2004) propose that valence-based approaches do not help us to predict specific consumer behaviors. Moreover, Lerner and Keltner (2000) argue that using a general valence-based approach overlooks current research on emotion, which indicates that emotions of the same valence differ in their antecedent appraisals (C. A. Smith & Ellsworth, 1985).

Third, cognitive appraisals, this approach offers a more in-depth way to explain the subtle nuances of emotions. Importantly, the main purpose of this theory is to predict what emotions should be elicited in a given context as well as how evoked emotions affect behavior. Appraisals are interpretations of characteristics of events that combine to cause particular emotions. For

example, in the gold medal event of Olympic boxing, rather than feel pride at winning, the winner may feel embarrassment instead if he believed that the judge was favorably biased towards him. In contrast, the loser may feel pride if he believed that he did his best and the audience admired his fighting.

There is ample evidence from both the appraisal and attribution literature of the strong relationships between specific cognitions and specific emotions (Frijda et al., 1989; C. A. Smith & Ellsworth, 1985; C. A. Smith, Haynes, Lazarus, & Pope, 1993; C. A. Smith & Lazarus, 1993; Weiner, 1985). Several appraisal theories recognize cognitions as important antecedents of emotion (Arnold, 1960; Ellsworth & Smith, 1988; Lazarus, 1991; Ortony et al., 1988; Scherer, 1984; C. A. Smith & Lazarus, 1990).

Despite recognition of strong relations between specific cognitions and emotions, the vast majority of prior research has examined emotions and their effects in terms of general positively-valenced and negatively-valenced affects. Recently, numerous studies (e.g. Laros & Steenkamp, 2005; Yi & Baumgartner, 2004; Zeelenberg & Pieters, 2004; Zeelenberg, van Dijk, Manstead, & van der Pligt, 1998) provide evidence that it is not the mere valence of emotions that influences consumer responses, but the different discrete emotions that are elicited leading to varying behavioral consumer responses. This argument is consistent with psychology research which show that specific emotions can have a different impact on people's evaluations (DeSteno, Petty, Rucker, Wegener, & Braverman, 2004) and behavioral consequences (Frijda et al., 1989; Frijda & Zeelenberg, 2001; Shaver et al., 1987). For example, anger and sadness might result in different types of responses, although they both are negative emotions (DeSteno, Petty, Wegener, & Rucker, 2000). Specifically, sadness tends to result in withdrawal, whereas anger typically energizes people to act (Shaver et al., 1987).

As discussed above, various types of emotions may be conceptually distinct and may lead to different behavior responses. This dissertation will explore consumer responses through the discrete emotion approach. Unlike several studies that focus on limited number of negative emotions on consumer behavior such as such as frustration (Stauss, Schmidt, & Schoeler, 2005) or anger (Nguyen & McColl-Kennedy, 2003), this study attempts to capture a wider range of negative emotions. The negative emotions studied include, anger, frustration, irritation, hostility, disgust, hatred, dislike, sadness, upset, distress, sorrow, guilt, shame, regret, worry, nervous, anxiety, guilt, shame and regret.

# The Effect of Consumer Ethnocentrism and Country of Origin on Post Consumption Emotions

According to the definition of consumer ethnocentrism, some of the main characteristics of consumers with high ethnocentrism are feeling of national pride, concern for the welfare of his/her country and prejudice. Therefore, this dissertation focuses on the group of emotions that relate to the concept of consumer ethnocentrism. Nineteen negative emotions chosen for this study were further categorized into 4 groups which are anger-related (anger, frustration, irritation, mad, hostility, disgust, hate, dislike); sadness-related (sadness, upset, distress, sorrow); worry-related (worry, nervous, anxiety and insecure) and self-related (guilt, shame, regret).

The "agency" appraisal dimension, focuses on those who are perceived as being responsible and being in control over the event or outcome. This research will study the consumers' emotions toward three different targets which are emotions toward self, emotions toward brand and emotions toward the country of origin. Different target specific emotions can be elicited at the same time of product failure. For example, consumers may feel regret (towards self) as they realize that another product would have been a better choice, while being angry

towards brand that made the inferior goods and at the same time feeling hostility to the country of manufacture.

It's a well-known principle in social psychology that people define themselves in terms of social groupings. In general, people are motivated to perceive themselves and their in-groups as good, moral, and deserving (Crocker & Luhtanen, 1990; Tajfel & Turner, 1986). As discussed earlier, consumer ethnocentrism is the concept of "us against everyone else" (LiVine & Campbell, 1972). The more ethnocentric the consumers are, the more desire to view oneself positively is transferred onto the group. Consequently, there will be more tendency to view one's own group in a positive light, and by comparison, outside groups in a negative light (Billig & Tajfel, 1973).

When people categorizes themselves as a member of a group, the actions of the in-group can have direct consequences for self and other perception. High ethnocentrism consumers relate themselves to their nationality with pride. As a result, when in-group members perform harmful actions, high ethnocentrism consumers may defend (or downplay) the negativity of the actions of their fellow group members and thus, maintain a positive image of "our" group membership (and in turn ourselves) and exhibit a high tolerance of the wrong doing actions (Ma et al., 2012). In contrast, stereotyping and prejudge towards foreign products will stimulate the negativity of the failure when they experience with foreign product failure. This might lead to more intense of negative emotions towards the out group members.

Therefore, the effect of level of ethnocentrism on post-consumption emotions vary by consumers' knowledge of the country of origin of the product. From social identity theory and appraisal dimension of responsibility, it is expected that consumers will interpret a "wrongdoing" in a different way depending on the origin of the product.

Considering the negative emotions toward self, high ethnocentrism consumers are less likely to feel guilt, regret and shame for their decision if the product that failed is locally made. High ethnocentrism consumers believe that purchasing local products is a right thing to do to support local economy. In contrast, high ethnocentrism consumers who make a purchase against their morals will be more likely to feel guilt, regret and shame when the foreign product they acquired underperforms. In addition, they are more likely to be angry toward self. Besides, blaming and feeling anger toward others (foreign manufacture) about the failure, they might blame themselves for the wrong decision to support a foreign product, instead of a domestic product. This might lead to a high level of self-directed anger. However, for the consumers who have a low level of consumer ethnocentrism, the bias in the process of evaluation may not occur since they do not feel themselves attached to the country of manufacture. Taking into account these considerations, it can be predicted that

**H1A**: The level of (a) anger and (b) guilt toward self will be higher when a foreign made product fails compared to a domestically made product for consumers who have a high level of ethnocentrism.

**H1B**: There is no difference in level of (a) anger and (b) guilt toward self between foreign and domestically product failure for consumers who have a low level of ethnocentrism.

In terms of brand-directed emotions, attribution theory proposes that casual locus has an effect on affective reactions (Weiner, 2000). When the failure occurs under the controllability of self and for in-group members, negative evaluations are less likely to occur (Young & Smith,

2005). In contrast, when the attribution is external, it may evoke negative emotions (Folkes, 1988; Weiner, Russell, & Lerman, 1979).

Therefore, for domestic product failure, high ethnocentrism consumers are less likely to be angry or hostile toward the brand as they categorized that brand as being part of the in-group. However, they might feel more sadness and worry toward the brand. They might be concerned about the negative consequence of the failure toward the company and brand such as: decrease in sales, derogatory brand reputation, poor brand image and devaluation in brand equity.

On the other hand, for foreign products failures, high ethnocentrism consumers perceive that the failure is under the responsibility and control of the brand that is categorized as an out group member. Thus, they are more likely to feel anger and hostility toward that foreign brand. In addition, they do not care and are not concerned about the negative consequences toward that brand. However, for those who have a low level of consumer ethnocentrism, the bias in the process of evaluation may not occur. Based on the above discussion, it is hypothesized that

**H2A**: The level of anger toward the brand will be higher when the product that fails is foreign made as compared to the domestically made for consumers who have a high level of ethnocentrism.

**H2B**: The level of (a) sadness and (b) worry towards the brand will be higher when the product that fails is domestically made as compared to the foreign made for consumers who have a high level of ethnocentrism.

**H2C**: There is no difference in level of (a) anger, (b) sadness and (c) worry toward the brand between foreign and local product failures for consumers who have a low level of ethnocentrism.

The negative emotions toward others can be directed toward the country of origin of the product. High ethnocentrism consumers may avoid buying foreign product since it may cause for national security concerns or loss of jobs. They might hesitate and feel uncomfortable at the purchasing stage. Once the outcome of their expectation are wrong, the level of negative emotions at post-consumption stage will be more intense. Based on self-attachment theory, people try to blame the external causes, rather than themselves. Thus, in the case of foreign product failure, high ethnocentrism consumers are likely to express their anger and hostility towards that foreign product. In contrast, in the domestic product failure condition, in-group bias may mitigate the negativity of failure. Hence, high ethnocentrism consumers will be less likely to engage in the expression of anger and hostility compared to the foreign failure condition.

Generally, the dissatisfaction after product failure might leads to the actions that are threatening to both company and country such as negative word of mouth and switching behavior. These type of actions consequently effect to bad reputation toward the country. The negativity consequences toward the country lead high ethnocentrism consumers will be more likely to be sad and to be worried in the situation of domestic product failure. In contrast, high ethnocentrism consumers will be less concerned toward the country if product that fails is recognized as foreign product. However, the bias in the process of evaluation may not occur among low ethnocentrism consumers. Based on this, it is hypothesized that

**H3A**: The level of anger toward the country of origin will be higher when the product that fails is foreign made as compared to domestically made for consumers who have a high level of ethnocentrism.

**H3B**: The level of (a) sadness and (b) worry towards the country of origin will be higher when the product that fails is domestically made as compared to the foreign made for consumers who have a high level of ethnocentrism.

**H3C**: There is no difference in level of (a) anger, (b) sadness and (c) worry toward country of origin between foreign made and domestically made product failures for consumers who have a low level of ethnocentrism.

## **Consumer Complaint Behavior**

Consumer responses to dissatisfaction are very diverse. They can range from doing nothing at all to suing for a huge amount of monetary damages (Day, Grabicke, Schaetzle, & Staubach, 1981). "In some cases, consumers do not stop with conventional complaining behavior when dissatisfied, but rather become vindictive and attempt to achieve revenge through acts of misbehavior" (Curtis, 1971, pp. 55-56).

This dissertation deals with consumer responses related to the concept of consumer complaint behavior (CCB), which has attracted considerable attention in the marketing literature over the last four decades (e.g. Bearden & Oliver, 1985; Day & Landon, 1977; Singh, 1988; Tax, Brown, & Chandrashekaran, 1998; Yan & Lotz, 2009).

Consumer complaint behavior (CCB) literature began to appear in the 1970's in the form of conceptual framework that described consumers' response to dissatisfying consumption experiences. According to Crie (2003), CCB is defined as consisting of all potential consumer responses to dissatisfaction in a purchase encounter. The source of the dissatisfaction could originate before, during, or after the purchase of a product or service. Two influencing conceptual frameworks that are often discussed as theoretical foundations are Hirschman's

(1970) exit, voice, and loyalty framework and Day and Landon's (1977) complaining behavior taxonomy. Consumer complaining behavior literature expanded greatly in the 1980's and 1990's and many researchers have made an effort to refine and extend CCB concepts through empirical testing (e.g. Singh, 1988).

Hirschman's (1970) framework, based on institutional or commercial exchange relationships, suggests that people have three basic response options to deteriorating relationships. They may leave the relationship (exit), talk about the problem (voice), or remain quiet and stay in the relationship (loyalty). Hirschman's conceptualization has inspired voluminous research in areas such as psychology, organizational behavior, as well as consumer complaining behavior. Rusbult, Zembrodt, and Gunn (1982) extended the framework by identifying an additional dissatisfaction response- neglect that is described as passively allowing a relationship to decline. The EVLN (exit, voice, loyalty, and neglect) framework was developed to describe four dissatisfaction responses based on constructive-destructive and active passive dimensions.

Day and Landon (1977) introduced the generally well received two level hierarchical classification of CCB. The first level distinguishes between action and no-action, while the second distinguishes public actions from private actions. For example, under their taxonomy, dissatisfied consumers would either "take some action" or "take no-action." If action was taken, it was labeled as either public (e.g. redress seeking complaint, legal action, third-party complaint) or private action (e.g. personal boycott of the brand, negative word-of-mouth). Conversely, the "take no-action" response is described as "forget about the incident and do nothing at all."

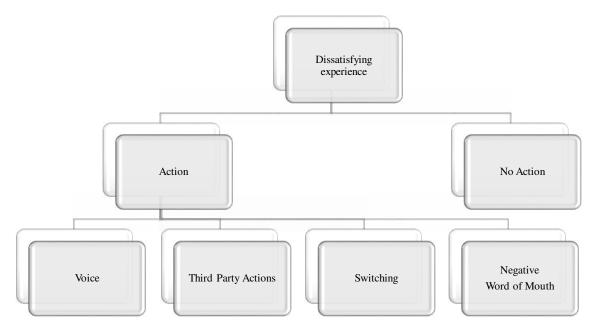
Day (1980) suggested another classification schema at the second level of Day and Landon's (1977) taxonomy. He noted that consumers complain (or do not complain) to achieve specific objectives. Day proposed that the "purpose" of complaining can be used to classify behavioral CCB into three categories. First, with respect to redress seeking, the motive is to seek specific remedy either directly or indirectly from the seller (e.g. complain to manufacturer, take legal actions, etc.). Second, with respect to complaining, the motive to communicate dissatisfaction for reasons other than seeking remedy (e.g., to persuade others by word-of-mouth communication, to affect future behavior). Third, the motive for personal boycott is to discontinue purchase of the offending service (including product, brand, store, and/or manufacturer). Eventually, Day (1980) suggested his taxonomy could be combined with that of Day and Landon (1977).

Acknowledging most CCB categorization frameworks had been mainly conceptual; the theory building of CCB research evolved to further development of CCB concepts with empirical evidence. The most commonly cited study regarding the classification of CCB is that of Singh (1988). He tested two previous taxonomies that originated from Day and Landon (1977) and (Day, 1980). Based on the result of confirmation factor analysis, he found that neither Day and Landon's (1977) the two-factor dimensions of public versus private complaining nor three factor dimension of Day's (1980) fit well with the data. However, the result revealed three-factor taxonomy of CCB. He suggested that CCB could be classified into three major categories: (1) voice, reflecting actions directed toward the seller, (2) private, involving negative word-of-mouth and exit, (3) third party, relating to actions directed toward external agencies such as legal actions.

However, in the consumer behavior research, negative word-of-mouth (WOM) is often considered as a distinct construct (Richins, 1983; Singh, 1990b). This four behavioral responses (voice, exit, negative WOM, and third party action) are commonly known and used in consumer complaining studies (e.g. Blodgett & Granbois, 1992; Boote, 1998).

Based on discussion so far, currently known CCB categories can be described with the following conceptual diagram (see Figure 2). As shown below, when a dissatisfying experience occurs, consumers may take one or more of the four CCB constructs or take no-action at all. These four behavioral responses are considered distinct. The following discussion clarify the definition of each constructs.

Figure 2 Consumer Complaint Behavior Classification
(Based on Day and Landon (1977); Singh (1988)



Voice refers to complaints that directly targeted at seller or manufacture; and may include asking for a refund, an exchange, compensation, or for an apology (Blodgett & Granbois, 1992; Singh, 1990a). Consumers who complain to the company about their problem tend to have a positive attitude toward complaining that is mostly driven by personal belief rather than social benefits (Singh, 1990a).

Third-party actions are defined as complaint behaviors that are directed toward one or more formal agencies that are not directly involved in the exchange relationship (Singh, 1989). This response includes contacting a lawyer, governmental agencies and/or reporting to the newspaper.

Switch is a voluntary termination of an exchange relationship and it implies switching patronage to another product/service (Hirschman, 1970). Exit/switch decisions involve some effort, such as considering switching costs and searching for alternatives.

Negative word-of-mouth refers to telling others about a dissatisfying or unsatisfactory experience (Singh, 1990b).

No action has been described as a passive reaction, where consumers do nothing and try to forget about a dissatisfying experience (Day & Landon, 1977).

Previous studies have shown that people who engage in the same complaining behavior might have different underlying motivations. For example, Wetzer, Zeelenberg, and Pieters (2007) reported that consumers engage in negative word of mouth communications based on different motivations to pursue each own specific goals. In some cases, consumers participate in negative word of mouth to vent feelings or take revenge. In contrast, some consumers engaged in negative word of mouth to warn others. Therefore, it is important to study the motivation behind their actions.

As a result, in this dissertation two new constructs are added to gain more understanding. Two of focal constructs are desire for revenge and desire for warning. These two constructs are appropriate because they reflect the presence of a customer grudge or lack of forgiveness (Aquino, Tripp, & Bies, 2001; Wade, 1989), which is likely to characterize complaining. Formally, a desire for revenge is defined as customers' need to punish and cause harm to firms for the damages they have caused (Bechwati & Morrin, 2003; Grégoire & Fisher, 2006). In turn, a desire for warning is defined as customers' need to help the receiver to make a satisfying purchase decision (Wetzer et al., 2007).

Moreover, this research will extend knowledge by considering the long-term effect of switching behavior. Will switching behavior remain temporary or develop to a long-term behavior such as boycott?

Boycott is defined in Merriam-Webster's Collegiate Dictionary as "to engage in a concerted refusal to have dealings with (as a person, store, or organization)". Friedman (1999) described consumer boycott as "the attempt by one or more parties to achieve certain objectives by urging individual consumers to refrain from making selected purchases in the marketplace" (p. 4). Often organized by pressure groups, boycotts urge consumers not to buy specific brands or the products from certain countries, to exert a commercial pressure on the target to adopt favorable practices in their policy and behavior. Typically, boycotts can serve as a form of social control of business and as a mechanism for promoting corporate social responsibility (N. C. Smith, 1990).

This research explores the boycott behavior in two dimensions. The first one is the boycott against the company that caused for product failure and the second is the boycott against the country of manufacture.

In summary, there are nine complaining behaviors that was examined in this dissertation which are do nothing, direct complaint, switching, negative word of mouth, third party actions, boycott against brand, boycott against country of manufacture, desire for revenge and desire for warning.

## The Effect of Consumer Ethnocentrism and Country of Origin on Consumer Complaint Behavior

Consumer ethnocentrism is expected to moderate the relationship between product failure and consumer complaint behavior.

Intergroup relations theory (Tajfel & Turner, 1979) describes the kind of relationships between in-groups (those groups with which the individual has social ties and identifies himself) and out-groups (with which the individual does not have a sense of belonging and sometimes may even see as adversaries). This theory holds that people see in-groups different from and better than out-groups. According to them, "The real conflicts of group interests not only create antagonistic intergroup relations but also heighten identification with, and positive attachment to, the in-group." In a conflict between groups, the out-group is target of negative feelings and attitudes, while the in-group is praised and supported (Brown, Collins, & Schmidt, 1988; Tajfel & Turner, 1979).

Therefore, ethnocentrism will more likely lead to confrontative complaint behaviors when the product that fails is made from a foreign country. In contrast, if the failure was caused by a local manufacturer, the high ethnocentrism consumers will be more likely to forgive or complain in a friendly manner. However, there will not be any significant difference in term of complaining behaviors for the low ethnocentrism consumers. Thus, it can be hypothesized that:

**H4A**: The level of (a) direct complaint, (b) switching, (c) NWOM, (d) third party actions, (e) boycott against brand, (f) boycott against country of manufacture and (g) desire for revenge will be higher when the product that fails is foreign product as compared to the domestic product, for consumers who have a high level of ethnocentrism.

**H4B**: The level of (a) do nothing and (b) desire for warning will be lower when the product that fails is a foreign product as compared to the domestic product for consumers who have a high level of ethnocentrism.

**H4C**: There is no difference in level of (a) do nothing, (b) direct complaint, (c) switching, (d) NWOM, (e) third party actions, (f) boycott against brand, (g) boycott against country of manufacture, (h) desire for revenge and (i) desire for warning between foreign and domestic product failures for consumers who have a low level of ethnocentrism.

## **CHAPTER 3: METHODOLOGY AND PROCEDURES**

This chapter highlights the research methodology for testing the conceptual model proposed earlier. It describes the basic research design of the study, sampling, preliminary procedures, the procedure for the collection of data, the measurement of each variables and the statistical method used to analyze the data.

## Methodology

Experimental design is the methodology to be used to test the hypotheses. The major advantage of experimental design is to demonstrate causality relationship instead of correlation relationship between the independent variables and dependent variables. The purpose of study 1 is to explore the interactive effects of the level of consumer ethnocentrism and the country of manufacture of products on customers' emotional, and behavioral responses. A product failure scenario is used to study negative emotions and complaining behaviors. Different scenarios with relevant manipulations were constructed to create different experimental conditions. The proposed factors are the country of manufacture of product (domestic / foreign) which is manipulated and the level of consumer ethnocentrism, which is measured. The dependent variables (negative emotions and complaint behaviors) are measured.

## **Design**

The study uses a 2 (country of origin of product failure: domestic product VS foreign product) X 2 (level of consumer ethnocentrism: high VS low) between-subjects factorial design. While the country of origin of product failure was manipulated, consumer ethnocentrism was measured. The subjects were grouped into high ethnocentrism and low ethnocentrism using a median split after they had been exposed to the treatment.

## **Sampling**

The subjects in this study are the American citizens who born and brought up in the United States. It is fitting to assess US' ethnocentrism to foreign products since the United States leads the world in importing products worth over 2.205 trillion U.S. dollars for the year 2016 (CIA World Factbook 2017).

The population from which the sample was drawn is from undergraduate marketing class at a large university on the East coast. They participated in exchange for class credit as part of a subject pool. The instrument used for data collection is an online survey software program provided by Qualtrics (www.qualtrics.com). Subjects were randomly assigned to the experimental conditions. The online survey will allow participants to answer the questions in the order in which they are presented without the possibility of returning to questions listed on previous web pages. This function eliminates the respondent's potential to deviate from answering questions in the order desired by the researcher.

To calculate the minimum sample size required for statistical analysis, G\*power which is a statistical power computer software program was used. G\*Power was originally created by Erdfelder, Faul, and Buchner (1996) and was developed to the latest version G\*Power 3 by Faul, Erdfelder, Lang, and Buchner (2007). According to them, it is a power analysis program that can handle several types of statistical testes in the social and behavioral research.

In order to obtain enough power of the statistical test in this research, the study applied G\*Power 3.1.9.2 to calculate the minimum sample size. G\*power computed sample size N as a function of power level  $1 - \beta$ , significance level  $\alpha$ , and the to-be detected population effect size. In this study, by selecting a "A priori: Compute required sample size" analysis for F-tests, MANOVA global effect with number of groups equal to 4, response variables of 9, effect size

equal to 0.07, alpha equal to 0.05, and power equal to 0.95, the result suggests that the desired minimum sample size for study 1 is equal to 172.

## **Preliminary Procedures**

Pretesting was done for scenario development. The purpose of pretesting was to identify product about which undergraduate students have: (1) high possibility to engage in product failure situation, (2) high levels of product familiarity, and (3) high levels of product involvement. Pretest 1 was conducted to investigate the experience of product failure and product familiarity. A questionnaire was administered to 35 students. Among 10 products tested, it was found that the smartphone, computer, and printer were the products for which subjects have most frequently experienced a "failure situation". For product familiarity, the respondents rated smartphone, TV, and computer in that order. Based on this, smartphone was selected to create the scenario for study 1. The secondary data from online website was accessed to find the common reasons for smartphone failures. Two of the most common complaints mentioned were life of battery and camera issues. These complaints were used to create the scenario for study 1. In addition, to avoid confounding effects of previous consumer knowledge and attitudes toward the specific country of origin and specific brand, the scenarios used the term of "foreign country" instead of a specific country. It is also important to select the brand name that is neutral and with no links to the origins of the brand with linguistic cues. Based on above criteria, a fictitious brand name, "HELLO" brand, was selected to use in the scenario for pretest 2.

Pretest 2 was conducted with 30 respondents to test the effectiveness of the country of origin manipulation and the brand name manipulation. In addition, the realism of the scenarios was investigated. The results show that 20% of respondents gave wrong answer for the question about the country of origin of the product that fails. Realism score ranged from 3-10 with an

average score of 6.4. More than 76% of subjects have had experiences with either battery or camera problems as stated in the scenario. It is also important to note that 70% of the subjects did not link the "HELLO" brand with any specific brand in mind when they read the scenario. The results were used to revise wording in the scenarios for study 1.

#### **Procedure**

For the main study, the scenario that was created in the preliminary stage was used to depict a situation where the protagonist buys a new smartphone, and that smartphone falls short of their expectations. Participants were randomly manipulated to one of the two conditions. In half the scenarios, the smartphone is recognized as "domestic product" and in the other half, recognized as "foreign product" (See Appendix A for the scenario). A brief version of the scenario is given below.

You are now shopping for a new smartphone and decide to buy "HELLO" brand which has been selling well and is one of market leaders around the world. This brand is manufactured in the United States and is recognized as a domestic product (manufactured in a foreign country and recognized as a foreign product). Within a month after buying this smartphone, you notice that the battery of your smartphone runs down quickly. It lasts only 2-3 hours while using an application. You also found that your phone camera is not working properly. Even though you restarted your smartphone couple of times, the camera still does not work.

After reading the scenario, participants were asked questions pertaining to their smartphone use, attitude toward smartphone, their post consumption emotions (19 negative emotions x 3 different targets), their behavioral responses (9 complaint behaviors), their level of consumer ethnocentrism, and their demographic information. The manipulation checks for the independent variables were also done. It took approximately 15-18 minutes for most participants to complete the questionnaire.

#### **Measurement of Variables**

The variables of interest in this dissertation will be measured using established scales from previous studies. There are 3 main groups of constructs in this study. The first set of questions measured 19 negative emotions. The second set measured 9 complaint behaviors. The last set measured consumer ethnocentrism.

#### **Emotions**

As this study measures a group of negative emotions. The list of emotions was generated from previous studies (e.g. Gopinath, 1996; Laros & Steenkamp, 2005; Petzer, De Meyer, Svari, & Svensson, 2012; Roseman, Wiest, & Swartz, 1994). Based on relevance to the concept of consumer ethnocentrism, 19 negative emotions were selected for this study. These were Anger, Frustration, Irritation, Mad, Hostility, Disgust, Hate, Dislike, Sadness, Upset, Distress, Sorrow, Guilt, Shame, Regret, Worry, Nervous, Anxiety, Insecure, Guilt, Shame and Regret.

Emotions are measured by directly asking how strongly participants felt each of the emotions (Richins, 1997). The subjects rated emotions on a 7-point semantic differential scale anchored by 'not at all' and 'very intensely'. Subjects rated emotions toward three different targets which are self, product/company and to the country of origin.

## Complaint Behaviors

As discussed earlier, this research investigates 9 complaint behaviors which are to do nothing, direct complaint, switching, negative word of mouth, third party actions, boycott against brand, boycott against country of manufacture, desire for revenge and desire for warning. The list of complaints was generated from previous studies (e.g. Day & Landon, 1977; Gelbrich, 2010; Grégoire, Tripp, & Legoux, 2009; Mattila & Ro, 2008; Singh, 1988).

These 9 variables are measured by multiple reflective items (two or more items). The respondents were asked to rate the likelihood to participate in each complaint behaviors which are measured on a 1-7 Likert scale with 1 being "extremely unlikely" and 7 being "extremely likely".

**Do nothing** is measured by three items, which include (1) "forget the incident and do nothing", (2) "learn to live with it" and (3) "accept the situation and take no further action".

**Direct complaining** consists of three items, which include (1) "complain to the store manager", (2) "contact customer service immediately and ask them to take care of your problems" and (3) "try to contact the management to be responsible for the failure".

**Switching** is measured by three items, which include (1) "switch to purchase alternative brands in the future", (2) "decide to use Hello brand less in the future" and (3) "choose to buy Hello brand the next time you need a cellphone" (reverse scored).

**Negative Word of mouth** consists of three items, which include (1) "speak to your friends and relatives about your bad experience", (2) "convince your friends and relatives not to choose Hello brand" and (3) "spread your bad experience through online reviews".

**Third party action** is measured by three items, which include (1) "take legal action against firm", (2) "report the failure to a consumer or governmental agency" and (3) "contact the media to denounce the failure".

**Boycott against brand** consists of two items, which include (1) "Intend to start boycott products from the company that manufacture Hello brand" and (2) "Persuade other people to boycott products from the company that manufacture Hello brand".

Boycott against country of manufacture consists of two items, which include (1) "Intend to start boycott products from the country that manufacture Hello brand" and (2) "Persuade other people to boycott products from the country that manufacture Hello brand".

**Desire for revenge** is measured by five items, which include (1) "Take actions to get the firm in trouble", (2) "Punish the firm in some way", (3) "Cause inconvenience to the firm", (4) "Get even with the firm" and (5) "Make the firm get what it deserved".

**Desire for warning** consists of two items, which include (1) "want to warn others not to use Hello Brand" and (2) "try to prevent others from making the same mistake that you did".

Consumer Ethnocentrism

Consumer ethnocentrism is measured using the extended measurement instrument called CEESCALE developed by Siamagka and Balabanis (2015). A more recent measurement scale was selected in this study because the original conceptualization of consumer ethnocentrism has only one dimension that taps the morality of purchasing foreign products. However, more recent research on social ethnocentrism suggests that ethnocentrism is a richer concept with more than one dimension (Bizumic, Duckitt, Popadic, Dru, & Krauss, 2009; Devine, 1989; Grant & Brown, 1995). The newer scale includes five dimensions which are prosociality, cognition, insecurity, reflexiveness, and habituation. Empirical evidence from studies in both United States and United Kingdom demonstrates that the extended scale has superior predictive validity and offer more confidence to marketing scholars in identifying ethnocentrism and more power in predicting their responses to both foreign and domestic products (Siamagka & Balabanis, 2015).

The CEESCALE is measured by 17 items which are listed below.

1. Buying American goods helps me maintain my American identity.

- 2. I believe that purchasing American goods should be a moral duty of every American citizen.
- 3. It always makes me feel good to support our products.
- 4. A real American should always back American products.
- American people should always consider American workers when making their purchase decisions.
- 6. When it comes to American products, I do not need further information to assess their quality; the country of origin is sufficient signal of high quality for me.
- 7. American goods are better than imported goods.
- 8. American products are made to high standards and no other country can exceed them.
- 9. Increased imports result in greater levels of unemployment in this country.
- 10. Buying foreign products is a threat to the domestic economy.
- 11. Job losses in this country are the result of increased importation of foreign goods.
- 12. I would be convinced to buy domestic goods if a campaign was launched in the mass media promoting American goods.
- 13. If American people are made aware of the impact on the economy of foreign product consumption, they will be more willing to purchase domestic goods.
- 14. I would stop buying foreign products if the American government launched campaigns to make people aware of the positive impact of domestic goods consumption on the American economy.
- 15. I am buying American products out of habit.
- 16. I prefer buying the American products because I am more familiar with them.

17. I am buying American because I am following the consumption patterns as these were passed to me by my older family members.

Participants were asked to rate their level of agreement on the above sentences on a seven-point scale anchored by 1 = *strongly disagree* to 7 = *strongly agree*. Item scores are summed to form an overall score ranging from 17 to 119. For the purpose of testing the hypotheses, the level of consumer ethnocentrism was categorized into high and low groups using a median split.

#### **Data Collection**

In this research, the web-based survey was utilized to collect primary data. The survey link is listed on the subject-pool website. The subject pool comprises of undergraduate students at a leading university on the East Coast. Students have the freedom to choose which study they want to participate in order to fulfill their research requirements. When the students click to participate in this study, each respondent is automatically directed to the introduction page which is presented in Appendix B. The introduction page states that this study is about product failure. The company wants to learn about consumers' behaviors and reactions after product failure. It is a completely voluntary study which means they can withdraw from the study at any time. In addition, this study is anonymous and hence do not ask for any personal information.

Respondents will be able to access the screening survey questions only if they choose to participate in this study.

As mentioned above, this study is limited to American citizens who was born and brought up in the United States. Therefore, participants have to answer two screening questions to make sure that they are in the target group of this study. The qualified respondents continue to the instruction page. They were first asked about their demographic data, attitude about

smartphone, and smartphone usage. Then, they were randomly processed to one of the two scenarios (domestic product failure / foreign product failure). After finished reading, they were asked about post consumption emotions and complaints behaviors, followed by manipulation checks. After each participant had completed the questionnaire, the debriefing statement was presented, each participant was thanked and dismissed.

For study 1, the questionnaire was posted online for a period of six weeks during March and April 2016.

## **Data Analysis**

In this research, the hypotheses were testing by two types of statistical methods. Multivariate analysis of variance (MANOVA) was conducted to investigate the mean differences between groups. Multivariate analysis of variance (MANOVA) is an extension of analysis of variance (ANOVA), which allows to analyze multiple dependent variables at the same time. The incorporation of multiple dependent variables increases researchers' ability to find group differences.

As this study focusing on the effect of the combination of independent variables on multiple dependent variables, Two-way MANOVA was used. Two-way MANOVA expands traditional MANOVA through incorporating two categorical independent variables. With this statistical tool, this study can test both of the main effect of each independent variables and the interaction effects.

Before analyzing the data collected through the study, it was checked to ensure the basic assumptions of MANOVA were met. Once the analyses were run, Box's M statistic test was examined for significance. If M is not significant Wilk's Lambda would be used to explore differences in the multivariate model. If it is significant Pillai's Trace would be considered since

Pillai's trace is highly robust to violations of the assumptions of MANOVA (Olson, 1976). Interaction effect of consumer ethnocentrism and country of origin was appraised before exploring main effects.

In the analyses, if there were one or more mean differences between the groups a series of follow-up ANOVAs were conducted. If MANOVA indicated a significant main or interaction effect, it was followed by ANOVAs. A one-way ANOVA for each of the dependent variables was conducted.

If there was a significant interaction effect, simple main effects were used as follow-up test. More specifically, the simple main effect of country of origin toward each dependent variables were examined at each level of consumer ethnocentrism. Both of means and direction of difference between groups were examined. To control familywise error, the pairwise comparisons by the Bonferroni method (Bonferroni, 1936) were used to evaluate which means were significantly different from other means.

The second step, simple regression was conducted to examine the relationship between post consumption emotions and complaint behaviors. This method was used to assess whether negative emotions have ability to explain the complaint behaviors. Before the data was analyzed, data was checked for normality, linearity and homoscedasticity which are the basic assumptions of simple regression.

Statistical Package for Social Science (SPSS) version 19.0 was used for statistical analysis. To control for both type I error and type II errors, a level of significance for alpha was set at .05.

## **CHAPTER 4: ANALYSIS OF STUDY 1**

This chapter begins with the presentation of the descriptive statistics of the sample, followed by examining the effectiveness of manipulation check. Finally, the conceptual model is tested by a two-way multivariate analysis of variance (MANOVA). This was made to examine the main effects and interactions of the country of origins of the product failure (domestic product VS foreign product) and the level of consumer ethnocentrism (low VS high) on post consumption emotions and behavioral responses.

## **Description of Sample**

The initial sample of the main experiment study consisted of 260 undergraduate marketing students that participated in exchange for class credit as part of a subject pool. Among 260 participants, 54 responses were deleted for the following reasons: (1) the responses had completed the experiment within 5 minutes and had the same answer to all questions (e.g., all 7s); and/or (2) they failed to provide the right answer for the manipulation check questions.

As presented in Table 1, the final sample contained data from 206 participants, 52.9% of whom were men. Overall, the participants ranged in age from 18 to 52 years which the mean age at 24.37 years. In term of race, 58.3% are White 22.8% are African American and 1.5% are Native American. By random assignment, 103 participants each read the scenario for domestic product failure and foreign product failure. Subjects were categorized as low and high levels of consumer ethnocentrism by median spilt (Moon, 2004) scores computed by using the adding 17 items with seven point scale (Median = 66.00), participants were divided in to either a high level of consumer ethnocentrism or a low level of consumer ethnocentrism group. The mean score of consumer ethnocentrism of a high consumer ethnocentrism group (M = 79.180, SD = 14.385) was significantly higher than for the low consumer ethnocentrism group (M = 48.165, SD =

14.534), F (1, 205) = 237.01, p < .001). Eventually, the number of participants across 4 experimental conditions were either 51 or 52 respondents each.

**Table 1 Demo Graphic Information of Subjects (Study1)** 

Va	ariables	Value	Percentage
Candan	Male	109	52.91
Gender	Female	97	47.09
	White/Caucasian	120	58.25
	African American	47	22.82
	Hispanic	7	3.40
Race	Asian	11	5.34
	Native American	3	1.46
	Pacific Islander	2	0.97
	Other	16	7.77
	18-24	152	73.79
	25-31	28	13.59
A	32-38	11	5.34
Age	39-45	4	1.94
	46 and Above	10	4.85
	Missing	1	0.49

Table 2 shows the gender composition in each experiment condition. A chi-square test indicated that there was no significant differences in term of the numbers of male and female subjects across four experiment groups, (Chi-square (3, N = 206) = 2.872, p = .412).

CASE	Level of Consumer ethnocentrism	Country of Origin	GENDER		
CASE		Country of Origin	Male	Female	Total
1	LOW	Domestic	30	21	51
2	LOW	Foreign	25	27	52
3	HIGH	Domestic	24	28	52
4	HIGH	Foreign	30	21	51
Total			109	97	206

In addition, as presented in Table 3, a two-way MANOVA did not reveal any significant differences in term of age, gender or race. This implies that the subject's demographics were homogenous across different experimental conditions. Therefore, demographic data of respondents were not considered as a moderator or covariate in the main analysis.

Table 3 Two-way MANOVA on Subjects' Demographic Information

	Wilks'				Partial Eta	
	Lambda	F	df.	Sig.	Squared	Power
Country of Origin (COO)	.997	.171	(3, 199)	.916	.003	.081
Consumer Ethnocentrism (CET)	.996	.249	(3, 199)	.862	.004	.097
Interaction (COO*CET)	.979	1.397	(3, 199)	.245	.021	.368

## **Manipulation Checks**

The following questions were asked to check whether subjects pay attention to the scenario, "What is the product in the scenario?" and "What happened to the product in the story?" All of the respondents gave correct responses to both the questions.

To check the manipulation of country of origin of the product, subjects were asked to recall the scenarios and specify where the product originated. 81.15% (211 of 260) of the

respondents chose the correct answer. The difference between the correct versus wrong number of answers was significant (chi-square = 101.57, df = 1, p < .001) which indicated a successful manipulation of country of origin.

The manipulation of the brand origin was checked with two questions, "Brand A is the product that made in United States of America or Other countries?" and "Brand A is marketed for the United States market or global market?" All the participants gave correct responses for both the questions.

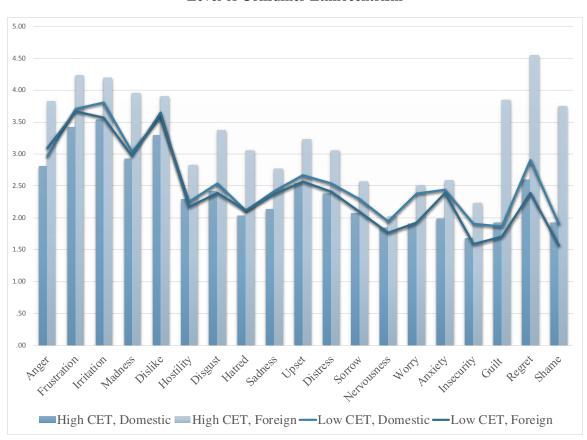
## **Mean Intensity of each Post Consumption Emotions**

In this study, 19 negative emotions were measured directed at 3 different targets. Of these the negative emotions of guilt, shame and regret were rated only towards self, as all of them are members of a family of "self-conscious emotions" that are evoked by self-reflection and self-evaluation. A total of 51 emotions were rated by the respondents.

The mean intensity of emotions directed at three different targets are reported in Graph 1-3. Subjects are categorized into 4 groups by country of origin (domestic and foreign) and the level of consumer ethnocentrism (low and high).

A visual examination of the Graph 1, suggests that for self-directed emotions, participants reported the level of negative emotions after product failure quite differently. Specifically, participants with high levels of consumer ethnocentrism and those who experienced foreign made product failure rated the highest level of negative emotions like anger, frustration, irritation, madness, dislike, hostility, disgust, hatred, guilt, shame and regret. In contrast, 7 of these emotions were rated lowest in the situation where the product that fails is made locally and participants had a high level of consumer ethnocentrism. Furthermore, there is little differences in term of emotions among the low ethnocentrism consumers regardless of the origin of the

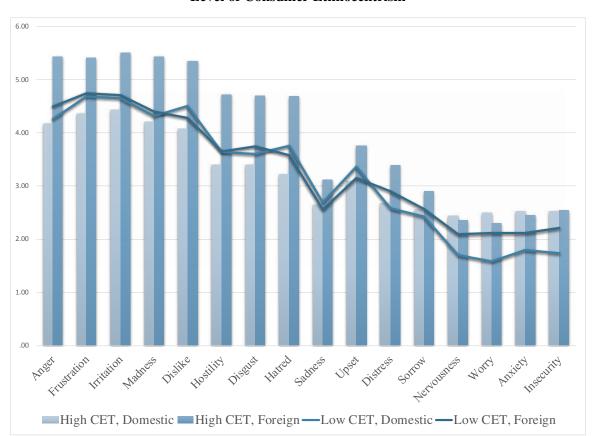
product. This suggests that the negative emotions were influenced by the level of consumer ethnocentrism and country of origin of product as hypothesized. Statistical testing was done to assess the significance of these observations and will be discussed in the next section.



Graph 1 Mean Intensity of Negative Emotions toward Self categorized by Country of Origin and Level of Consumer Ethnocentrism

For the brand directed emotions, (Graph 2), the level of anger, frustration, irritation, madness, dislike, hostility, disgust and hatred were rated highest when subjects with high level of consumer ethnocentrism experienced the foreign made product failure. In contrast, subjects with high level of consumer ethnocentrism exposed to locally made product failure rated those mentioned emotions lowest. Again, observations are also in the direction of the hypotheses.

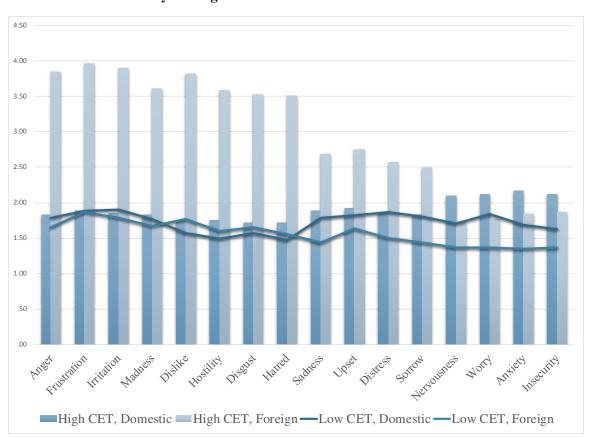
People with high ethnocentrism have a favorability bias when product was made in their own country but have unfavorability bias toward foreign products.



Graph 2 Mean Intensity of Negative Emotions toward Brand categorized by Country of Origin and Level of Consumer Ethnocentrism

In terms of emotions directed towards the country of origin, as presented in Graph 3, the graph shows the differences of the level of eight negative emotions which are anger, frustration, irritation, madness, dislike, hostility, disgust and hatred among participants in the four groups. People with high level of ethnocentrism who experienced the foreign made product failure rated eight negative emotions as highest. This is consistent with the theory that highly ethnocentric consumers tend to feel worst toward the out-group. However, in the condition of domestic

product failure, the results did not support the argument that high ethnocentric will have more tolerance toward those failures and so rated the intensity of negative emotions lowest as compared to other groups. Unexpectedly, this finding is not consistence with the predictions.



Graph 3 Mean Intensity of Negative Emotions toward Country of Origin of Product categorized by Country of Origin and Level of Consumer Ethnocentrism

## **Exploratory Factor Analysis on Negative Emotions**

To identify a parsimonious representation of the associations among measured variables, an exploratory factor analysis (EFA) was done to group the 19 negative emotions. Since this study has emotions rated towards three different targets, three separate principle axis factoring (PAF) with oblique/promax rotations were conducted. Principle axis factoring was selected as

the method of extraction in this study because PAF is better able to recover weak factors (De Winter & Dodou, 2012). Oblique rotation was the method of factor rotation used as this method assumes that the factors are correlated. Gorsuch (1983) lists promax rotation as one of the oblique methods. After extraction, an eigenvalue greater than 1.0 is the criterion used to choose the number of factors. Items with communalities lower than 0.60 or cross loadings greater than 0.30 were dropped. To check for sampling adequacy, the Kaiser-Meyer-Olkin test (KMO) and Bartlett's test of sphericity were used.

Table 4 presents the results of factor analysis of self-directed emotions, showing four factors with an eigenvalue more than 1. The four factors accounted for 77.86% of the total variance. The KMO was observed to be 0.913 which indicates that patterns of correlations are relatively compact and so factor analysis should yield distinct and reliable factors. Bartlett's test of sphericity, which tests the overall significance of all the correlations within the correlation matrix, was significant ( $\chi^2$  (171) = 4374.25, p < 0.001), indicates that it was appropriate to use the factor analytic model on this set of data. The first factor was robust, with a high eigenvalue of 9.94, and it accounted for 51.16% of the variance in the data. This factor labeled 'anger' group, captured eight negative emotions which are anger, frustration, irritation, madness, dislike, hostility, disgust and hatred. The second factor had an eigenvalue of 2.79 and explained 13.52% additional variance. This group of emotions labeled 'worry' included nervousness, worry, insecurity and anxiety. The third factor labeled 'sadness' had an eigenvalue of 1.62 and accounted for 7.75% additional variance explained. This factor was formed by the negative emotions of sadness, upset, distress and sorrow. The last factor associated with self-directed emotions called 'regret' included guilt, shame and regret. This factor had an eigenvalue of 1.24 and accounted for 5.44% of the variance.

**Table 4 Factor Loadings of Self-directed Negative Emotions** 

	Factor			
	1	2	3	4
Self-Irritation	.904			
Self-Frustration	.869			
Self-Dislike	.864			
Self-Madness	.863			
Self-Anger	.862			
Self-Hostility	.847			
Self-Disgust	.789			
Self-Hatred	.748			
Self-Nervousness		.917		
Self-Worry		.899		
Self-Insecurity		.775		
Self-Anxiety		.758		
Self-Sorrow			.956	
Self-Sadness			.944	
Self-Upset			.861	
Self-Distress			.763	
Self-Guilt				.972
Self-Shame				.965
Self-Regret				.785
Eigenvalues	9.940	2.792	1.620	1.241
% of Variances	51.161	13.518	7.746	5.435

For the brand-directed emotions, exploratory factor analysis (EFA) revealed three factors solution which accounted for 86.40% of variance (See Table 5). The Kaiser-Meyer-Olkin measure of sampling adequate equal to 0.916 and Bartlett's test of sphericity was significant ( $\chi^2$  (120) = 5266.61, p < 0.001) indicating that factor analysis is appropriate. The eigenvalues for factors one, two and three were 9.56, 3.52 and 1.12 respectively. The results showed that negative emotions form the group in the same pattern as for the self-directed emotions. The first factor was the "anger" which accounted for 58.88% of total variance and included eight negative emotions related to anger as for self-directed emotions. As before, the second factor was "worry" which accounted for 21.22% of variance. The emotions that loaded on this group were

nervousness, worry, insecurity and anxiety. The last factor which accounting for an additional 6.31% of the total variance is "sadness" which was formed by sadness, upset, distress and sorrow.

**Table 5 Factor Loadings of Brand-directed Negative Emotions** 

	Factor			
	1	2	3	
Brand-Frustration	.951			
Brand-Irritation	.948			
Brand-Anger	.943			
Brand-Dislike	.925			
Brand-Madness	.922			
Brand-Disgust	.859			
Brand-Hatred	.854			
Brand-Hostility	.820			
Brand-Worry		.974		
Brand-Anxiety		.925		
Brand-Nervousness		.920		
Brand-Insecurity		.892		
Brand-Sorrow			.935	
Brand-Sadness			.916	
Brand-Upset			.879	
Brand-Distress			.865	
Eigenvalues	9.560	3.516	1.124	
% of Variances	58.877	21.215	6.309	

For emotions toward country of origin of product, the EFA revealed only 2 factors that had eigenvalue greater than 1. These are the "anger" group and the rest. The EFA results for the eight emotions of "anger" group were consistent with both self-directed and brand directed emotions. However, there is not theoretical support to combine the eight remaining emotions into a single factor. Therefore, these eight emotions were split into 2 factors. The three-factor solution show higher percentage of total variance explained than the original 2 factors. As reported in

Table 6, the revised three factors solution accounted for 92.10% of total variance. The eigenvalues for the factors were 11.53, 3.00 and 0.44 respectively. The first factors yield 71.55% of total variance and formed by eight emotions related to "anger" which are anger, frustration, irritation, madness, dislike, hostility, disgust and hatred. The second factor was "worry" group which included four emotions of nervousness, worry, insecurity and anxiety. This group accounted for 18.29% of total variance. Lastly, the negative emotions of sadness, upset and distress formed the third factor that accounted for a further 2.26% of the variance. This group was labeled as "sadness".

**Table 6 Factor Loadings of Country-directed Negative Emotions** 

	Factor		
	1	2	
Country-Anger	1.022		
Country-Irritation	1.013		
Country-Frustration	1.009		
Country-Madness	1.002		
Country-Dislike	.986		
Country-Hostility	.977		
Country-Disgust	.955		
Country-Hatred	.925		
Country-Upset	.515	.491	
Country-Worry		1.026	
Country-Nervousness		1.023	
Country-Anxiety		1.021	
Country-Insecurity		.992	
Country-Sorrow	.460	.586	
Country-Sadness	.494	.574	
Country-Distress	.528	.535	
Eigenvalues	11.526	3.002	
% of Variances	71.381	18.177	

	Factor			
	1	2	3	
Country-Anger	1.001			
Country-Hostility	.987			
Country-Disgust	.972			
Country-Frustration	.968			
Country-Irritation	.942			
Country-Dislike	.939			
Country-Hatred	.904			
Country-Madness	.901			
Country-Nervousness		.961		
Country-Anxiety		.958		
Country-Worry		.956		
Country-Insecurity		.954		
Country-Sadness			.782	
Country-Distress			.761	
Country-Sorrow			.750	
Country-Upset			.605	
Eigenvalues	11.526	3.002	0.441	
% of Variances	71.546	18.294	2.260	

It is important to note that the results from separate three EFAs showed the same pattern. Each group of factors were formed based on the same emotions. In addition, the results are also consistent with previous research (e.g. Gopinath, 1996; Laros & Steenkamp, 2005; Mattila & Ro, 2008). Thus these factors is robust to use for further analysis.

## **Hypotheses Testing**

To test whether ethnocentrism and country of origin of product failure caused the negative emotions as hypothesized, a multivariate analysis of variance (MANOVA) was performed treating level of consumer ethnocentrism and country of origin of product as independent variables and the grouped emotions based on the exploratory factor analysis results (4 factors for self-directed emotions and 3 factors for brand and country directed emotions) as dependent variables. This analysis tests the significance of the main effects and interaction among the two independent variables.

MANOVA was used as it allows for simultaneous and more parsimonious testing of hypotheses across the dependent measures. 3 separate MANOVAs were run on emotions toward self, brand and country.

There are several assumptions of MANOVA, which include independence of observations, homogeneity of variance, the absence of multivariate outliers and the absence of multicollinearity. All the assumptions were checked.

Preliminary assumption checking revealed that there was no multivariate outlier as assessed by Mahalanobis distance (p>.001). The assumption of homogeneity of covariance across groups was also checked. Even though the Box's test in the case of self-directed emotions and country directed emotions reveals a significant result (p< 0.001), implying that the assumption of homogeneity of covariance matrices is violated, there is a less of concern here since the sample size of each group was nearly equal (Leech, Barrett, & Morgan, 2005). Finally, the correlation between the dependent variables was checked for each group of target directed emotions.

The correlations range from 0.389 to 0.621 in the group of self-directed emotions, from 0.381 to 0.692 for brand-directed emotions and 0.399 and 0.779 for country-directed emotions. Except for the correlations between country-anger and country sadness (0.779), and country-sadness and country worry (0.745), all other numbers indicate moderate correlation among dependent variables. As all of them were less than the critical value of 0.90, it can be concluded that these dependent variables are suitable for use in MANOVA as there is no evidence of multicollinearity (Hair, Black, Babin, Anderson, & Tatham, 2006).

Two-way MANOVA on Self-directed Emotions

The first set of hypotheses proposed that the level of negative emotions toward self after product failure depend upon two-way interactions between the country of origin of product failure and level of consumer ethnocentrism. Highly ethnocentric consumers will have a level of self-anger and regret higher when they experience foreign made product failure as compared with domestic failure. However, there will be no differences in term of negative emotions toward self among low ethnocentrism consumers.

To test the hypothesis, at two-way MANOVA was conducted by treating level of consumer ethnocentrism and country of origin of product as independent variables and four group of self-directed negative emotions as dependent variables. Box's M statistic tested the homogeneity of variance-covariance and was used to determine which multivariate test was used. Box's M statistic was significant (M = 80.659, F (30, 112108.80) = 2.54, p < .001). This indicates that the assumption for homogeneity of variance was violated, however, with nearly equal sample sizes, MANOVA can be robust to Type I errors (Carifio & Perla, 2007; Mertler & Vannatta, 2013; Tabachnick & Fidell, 2013).

According to Mertler and Vannatta (2013), an analysis of Box's M statistic was used as a criterion for choosing an appropriate multivariate tests. Since Pillai's Trace is more robust against violations of homogeneity of variance, therefore, it would be used to explore differences in the multivariate model when Box's M statistic test is significant. However, Wilks' Lambda would be reviewed and discussed if Box's M is not significant. Thus, in this case, Pillai's Trace (V) would be reviewed instead of the Wilk's Lambda.

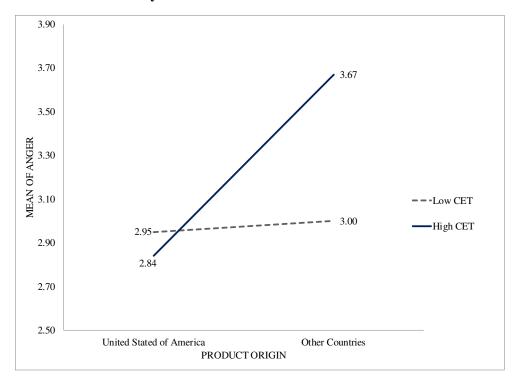
The multivariate analysis of the four groups of negative self-directed emotions showed a significant two-way interactions effect; Pillai's Trace = 0.074, F (4, 199) = 3.995, p = .004 and power =0.904. This means that the effect of country origin of product failure on post consumption emotions depends on consumer ethnocentrism level. Multivariate tests indicate that both of the main effects were statistically significant. For the main effect of country of origin, Pillai's Trace = 0.124, F (4, 199) = 7.013, p < .001 and power =0.994. For the main effect of level of consumer ethnocentrism, Pillai's Trace = 0.132, F (4, 199) = 7.587, p < .001 and power =0.997.

Since the multivariate test indicated that interaction between country origin and the level of consumer ethnocentrism was statically significant, the follow-up univariate ANOVAs were done. The results showed that, from four group of negative emotions, only regret was statistically significant different between groups F (1,202) = 13.433 (p<0.001), partial  $\eta^2 = 0.062$  and power = 0.954. The significant interaction means the effect of one independent variable on the dependent variable is conditional on the level of another variable. To gain more understanding of this relationship, the simple main effects were conducted. The reason for running simple main effects rather than separate MANOVAs is that simple main effects use the error term of the whole analysis rather than just the groups being compared.

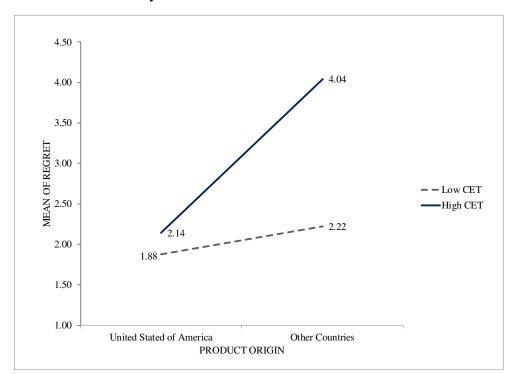
The simple main effect of country of origin will compare the effect of country of origin on the group of negative post consumption emotions at each level of consumer ethnocentrism. The overall multivariate tests reveal that there are no significant differences for the linear combinations of post consumptions scores for consumers who have a low level of consumer ethnocentrism, regardless the country of origin of product; Pillai's Trace = 0.008, F (4, 199) = 0.386, p = 0.819 and power = 0.138. In contrast, country origin of the product had a statistically significant effect on the linear combination of post consumption emotions scores for high ethnocentrism consumers; Pillai's Trace = 0.176, F (4, 199) = 11.147, p < .001 and power = 1.000.

Follow-up univariate ANOVAs of simple main effect show that there were statistically significant differences among high ethnocentrism consumers in two group of emotions as compared between domestic failure condition and foreign failure condition. Specifically, participants in the foreign failure condition rate higher level of anger F (1,202) = 7.384 (p=0.007), partial  $\eta^2$  = 0.035 and regret F (1,202) = 39.637 (p<0.001), partial  $\eta^2$  = 0.164. In other words, high ethnocentrism consumers rated more level of regret and anger toward self in the situation of foreign product failure as compared to the domestic product failure. The mean plots of anger and regret are reported in Graph 4 and 5 respectively.

Graph 4 Means of Self-Anger as a Function of Country of Origin of Product Failure by Level of Consumer Ethnocentrism



Graph 5 Means of Self-Regret as a Function of Country of Origin of Product Failure by Level of Consumer Ethnocentrism



This can be concluded that there is no difference in level of (a) anger and (b) regret toward self across the country origin of the product failure among low ethnocentrism consumers. In contrast, among high ethnocentrism consumers, there is significant differences in anger and regret based on the country of origin of product failure but not for sadness and worry. Therefore, hypotheses 1A and 1B were both supported.

Two-way MANOVA on Brand-directed Emotions

The second MANOVA was done to examine the association between country of origin and level of consumer ethnocentrism toward three dimensions of negative brand directed emotions. Box's M statistic was insignificant (M = 35.929, F (18, 144080.81) = 1.942, p = .010). Thus, the assumption of homogeneity of covariance is not violated. Hence, Wilks' Lambda test was examined.

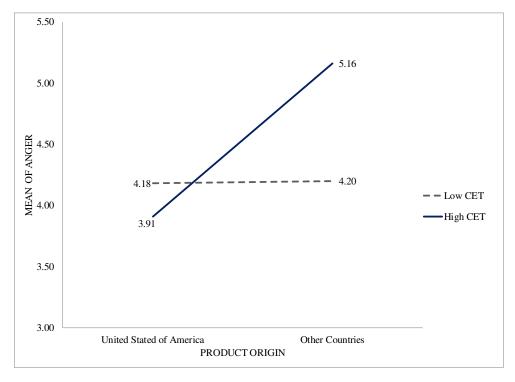
Multivariate test indicates that both main effects of level of consumer ethnocentrism and country of origin were not significant, Wilks' lambda (level of consumer ethnocentrism) = 0.966, F (3,200) = 2.342, p = 0.074 and Wilks' lambda (country of origin) = 0.965, F (3,200) = 2.446, p = 0.065. This means that levels of consumer ethnocentrism and country of origin alone did not make a significant difference in anger, sadness or worry toward brand after product failure.

However, when combined 2 factors, multivariate result showed statistically significant interaction between consumer ethnocentrism and country of origin, as predicted, Wilks' lambda = 0.932, F (3,200) = 4.865, p = 0.003, partial  $\eta^2$  = 20.068 and power = 0.903. Follow up univariate ANOVAs show that there were no significant mean differences of sadness F (1,202) = 1.137 (p = 0.288) and worry F (1,202) = 1.227 (p = 0.269). However, the mean of anger is significantly different F (1,202) = 6.709 (p = 0.010), partial  $\eta^2$  = 0.032 and power = 0.732.

To interpret the two-way interactions, simple main effects tabulated. For the simple main effect of consumer ethnocentrism, the overall multivariate tests reveal that there are no significant differences for the linear combinations of post consumptions scores for consumers who have a low level of consumer ethnocentrism, regardless the country of origin of product (Wilks' lambda = 0.985, F (3,200) = 1.022 (p = 0.384), partial  $\eta^2$  = .015). In contrast, country origin of the product had a statistically significant effect on the linear combination of post consumption emotions scores for high ethnocentrism consumers (Wilks' lambda = 0.914, F (3,200) = 6.289 (p<0.001), partial  $\eta^2$  = .086).

The follow-up univariate ANOVAs confirmed that among three group of negative emotions, only anger was statistically significant for high ethnocentrism consumers, F (1,202) = 13.985 (p<0.001), partial  $\eta^2 = 0.065$ . The means plot is reported in Graph 6.

Graph 6 Means of Brand-Anger as a Function of Country of Origin of Product Failure by Level of Consumer Ethnocentrism



The results are consistent with the results to self-directed emotions. Low ethnocentrism consumers feel no difference in negative emotions after product failure no matter what the country of origin of the product. While high ethnocentrism consumers feel more anger when they realize that the product that fails is foreign product. Therefore, Hypothesis 2A was supported, Hypothesis 2B was rejected and Hypothesis 2C was confirmed.

Two-way MANOVA on Country-directed Emotions

The third MANOVA was conducted to test the effect of country of origin and level of consumer ethnocentrism on three dimensions of negative emotions directed at the country of the product. Box's M statistic was significant (M = 52.386, F (18, 144080.81) = 2.832, p <.001). Thus, the assumption of homogeneity of covariance is violated. As a resulted, Pillai's Trace (V) would be reviewed and discussed instead of the Wilk's Lambda.

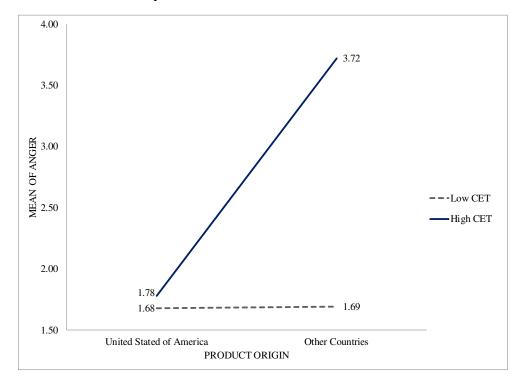
The interaction effect of country of origin by level of consumer ethnocentrism was examined before inspecting the individual main effects. The results were significant, Pillai's Trace = 0.136, F (3, 200) = 10.457, p < .001 and power =0.999. The significantly differences in term of the linear combination of negative emotions are based on the factor of both country of origin of product failure and level of consumer ethnocentrism. Univariate ANOVAs indicated that, both of anger mean scores (F (1,202) = 24.550 (p<0.001), partial  $\eta^2$  = 0.108 and power = 0.999) and sadness mean scores (F (1,202) = 9.369 (p=0.003), partial  $\eta^2$  = 0.044 and power = 0.861) were statistically significant between groups.

Analysis of simple main effects of country of origin of product failure on the linear combination of negative emotions at each level of the level of consumer ethnocentrism was done. Overall multivariate tests reveal that there are no significant differences for the linear combination of post consumptions scores for consumers who have a low level of consumer

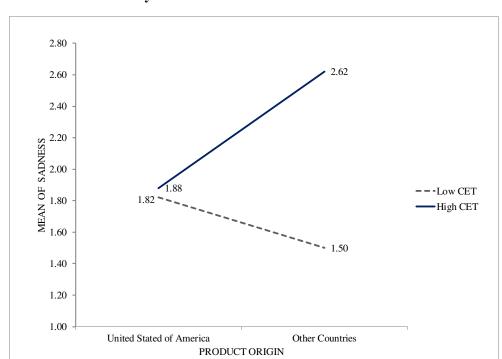
ethnocentrism, regardless the country of origin of product (Pillai's Trace = 0.021, F (3, 200) = 1.445, p = 0.231 and power = 0.379). In contrast, country of origin of the product had a statistically significant effect on the linear combination of post consumption emotions scores for high ethnocentrism consumers (Pillai's Trace = 0.275, F (3, 200) = 25.305, p < .001 and power = 1.000).

Follow-up univariate ANOVAs show that there were significant differences among high ethnocentrism consumers in anger (F (1,202) = 49.913, p < 0.001, partial  $\eta^2$  = 0.198) and sadness (F (1,202) = 9.295, p = 0.003 partial  $\eta^2$  = 0.044) between domestic foreign product failure conditions. As expected, high ethnocentrism consumers rated more level of anger toward country of origin of product failure when that product was considered as foreign product. The means plot is reported in Graph 7.

Graph 7 Means of Country-Anger as a Function of Country of Origin of Product Failure by Level of Consumer Ethnocentrism



However, opposite to the expectation, highly ethnocentrism consumers feel more sadness in the situation of foreign product failure as compared to the domestic product failure condition. The means plot is reported in Graph 8.



Graph 8 Means of Country-Sadness as a Function of Country of Origin of Product Failure by Level of Consumer Ethnocentrism

Again, the results are similar for self-directed and brand-directed emotions. There were no significant differences for low ethnocentrism consumers for negative emotions toward the country of product after product failure no matter where the product came from. In contrast, high ethnocentrism consumers pay attention to the origin of the product and they feel more anger and sadness toward the country of product in the case of foreign product failure. As a resulted, Hypothesis 3A was supported, Hypothesis 3B was rejected and Hypothesis 3C was supported.

Two-way MANOVA Effected on Consumer Complaint Behaviors

To investigate the relationship between country of origin and level of consumer ethnocentrism and complaint behaviors, a two-way MANOVAs was performed on nine dependent variables including do nothing, direct complaining, switching, negative word of mouth (NWOM), third party actions, boycott against brand, boycott against country of manufacture, desire for revenge and desire for warning. Since there were multiple dependent variables in this study, to control for Type I Error, it was necessary to utilize multivariate statistics.

To check for the assumptions of MANOVA, first, the residual plots were examined. Second, multivariate normality was assured by checking the marginal normality for each variable. Third, by assessing Mahalanobis Distances was looked at to make sure there are no multivariate outliers. Fourth, absence of multicollinearity is checked by conducting correlations among the dependent variables. Among 9 dependent variables in this study, the highest positive correlation was 0.725 (between NWOM and desire for warning). Therefore, there no concerns about multicollinearity since no correlations were over the critical value of 0.80. Next, homogeneity of variance was tested using Box's M (Stevens, 2012).

A two-way MANOVA was conducted to check for any interaction effects or main effects. Box's M statistic tested the homogeneity of variance-covariance and was used to determine which multivariate test was to be used. Box's M statistic was significant (M = 218.25, F (135, 89304.84) = 1.489, p < .001). This imply that the assumption for homogeneity of variance was violated, therefore, Pillai's Trace (V) would be evaluated instead of the Wilk's Lambda.

A two-way MANOVA (country of origin x level of consumer ethnocentrism) with the nine complaint behaviors revealed statically significant differences by of country of origin (Pillai's Trace = .0.137, F (9, 194) = 3.420, p = .001), by level of consumer ethnocentrism (Pillai's Trace = .0.171, F (9, 194) = 4.453, p < .001), and the interaction between two independent variables (Pillai's Trace = .0.160, F (9, 194) = 4.102, p < .001).

The results suggest that there was ample power to detect country of origin difference in total complaint behaviors scores according to the level of consumer ethnocentrism. The eta-squared for the interaction of country of origin and level of consumer ethnocentrism was .016, which was categorized as a small effect size. This means that 1.6% of the variability in total complaint behaviors scores is related to the interaction of country of origin and level of consumer ethnocentrism.

An interaction means that the effect of the independent variable depends upon the level of the other independent variable. Therefore, further analysis of interaction effects is reported here.

The interaction was explored by running nine univariates 2 (Country of Origin: Domestic/Foreign) x 2 (Level of consumer ethnocentrism: Low/High) between subjects ANOVA on each dependent variables. Except for direct complaining and switching behaviors, 7 of 9 dependent variables showed significant interaction effect (See Table 7). This implies that the relationship between country of origin of product failure and complaint behaviors are different at each level of consumer ethnocentrism.

Table 7 Univariate of Each Complaint Behaviors Based on The Interaction of Country of Origin and Level of Consumer Ethnocentrism

Effect	Df, Error Df	F	Sig.	Partial Eta Squared	Observed Power
Do Nothing	(1,205)	6.118	.014	.029	.692
Third Party Actions	(1,205)	11.329	.001	.053	.918
Switching	(1,205)	1.286	.258	.006	.204
Boybott_Brand	(1,205)	5.683	.018	.027	.660
Boycott_Country of manufacture	(1,205)	12.195	.001	.057	.935
Direct Complaining	(1,205)	.630	.428	.003	.124
Negative Word of Mouth	(1,205)	6.151	.014	.030	.694
Desire for Revenge	(1,205)	20.369	.000	.092	.994
Desire for Warning	(1,205)	7.170	.008	.034	.760

To gain more understanding of the significant interaction effects, a simple main effect test was conducted to evaluate for interaction comparisons (Green, Salkind, & Akey, 2000). In this study, simple main effects for the country of origin were examined as a follow-up test. The effect of country of origin of product failure on the complaint behaviors was analyzed by each level of consumer ethnocentrism.

For high ethnocentrism consumers, one-way MANOVA revealed a significant simple main effect on combination of complaint behaviors (Pillai's Trace = .0.225, F (9, 194) = 6.243, p < .001). The eta-squared which measure the effect size was equal to 0.225 which is a medium effect size. Follow up univariate test were done on the simple main effect of country of origin on each dependent variables. At significance level of 0.005 (0.05/9) the results confirm significant effects for 7 of 9 dependent variables in the same direction of the main two-way MANOVA.

High ethnocentrism consumers reported significant differences for negative word of mouth, third party actions, boycott against brand, boycott against country of manufacture, desire for revenge and desire for warning for the failed products made in foreign locations. They also

reported the significant differences for do nothing when the failing product was made domestically (Table 8).

Table 8 Univariate of Simple Main Effect of Country of Origin on Consumer Complaint Behavior among High Ethnocentrism Consumers

				Partial Eta	Courtry of		
Effect	Df, Error Df	F	Sig.	Squared	Origin	Means	
Do Nothing	(1,202)	8.834	.003	.042	Domestic	2.641	
					Foreign	1.784	
Third Douts, Actions	(1.202)	9.448	002	0.45	Domestic	3.212	
Third Party Actions (1,202) 9.4	9.440	.002	.045	Foreign	4.170		
Switching	(1,202)	5.856	016	.016 .028	Domestic	6.026	
	(1,202)	5.850	.010		Foreign	6.451	
Boycott_Brand	(1.202)	22.996	22.006	22,006	.102	Domestic	2.740
	(1,202)		.000	.102	Foreign	4.578	
Boycott_Country of manufacture	(1.202)	22 705	23.705 .000	.105	Domestic	1.952	
	(1,202)	23.703			Foreign	3.373	
Direct Complaining	(1,202)	1.141	.287	.006	Domestic	5.417	
					Foreign	5.732	
Negative Word of mouth (1	(1,202)	12.758	12.759	.059	Domestic	5.263	
	(1,202)	12.736	.000		Foreign	6.170	
Desire for Revenge (1,20)	(1.202)	18.868	.000	.085	Domestic	2.150	
	(1,202)	10.000	10.000		Foreign	3.353	
Desire for Warning (1,202	(1.202)	(1,202) 12.651	1 .000	.059	Domestic	4.875	
	(1,202)				Foreign	6.010	

In contrast, for low ethnocentrism consumers, there were no significant simple main effects of country of origin of product failure on complain behaviors (Pillai's Trace = .0.056, F (9, 194) = 1.279, p = .251).

Based on above discussion, Hypotheses 4A and 4B was marginally supported and Hypothesis 4C was confirmed.

# **CHAPTER 5: STUDY 2**

Study 1 demonstrated that consumer ethnocentrism has an influence on the post purchase emotions and complaint behaviors when a product fails. However, the study has some limitations. Specifically, study 1 classified the country of origin of products into 2 groups which are foreign versus domestic products. This was done by manipulating domestic products as American brands that are made in the United States and foreign brands as non-domestic brands that are made outside the US. However, in the scope of contemporary global markets, products under one brand name can be manufactured in more than one country. Globalization has resulted in dramatically of "hybrid products". Thus, the country of origin of a brand and the country of manufacturing need not necessarily be the same.

According to Han and Terpstra (1988), hybrid products refers to products that have its brand name registered in one country while design, assembly and manufacture are in multiple locations (e.g. a Toyota car made in Thailand). The main reason companies search for manufacturing locations outside their own territory is to maximize competitive advantages (Dunning, 1980). The competitive advantages may come from cost reduction in term of cheaper labor cost, lower price of materials, lower tax and tariff. Others may expect benefits from locating closer to upstream supply-chain activities. Moreover, opening overseas facilities help a company to reach new markets. As a result, many domestic brands are manufactured in foreign locations (Rhiney, 2011).

The proliferation of hybrid products in international markets has encouraged researchers to consider the country of origin effect in term of a multifaceted construct (Insch & McBride, 2004; Nebenzahl, Jaffe, & Lampert, 1997; Samiee, 1994) by extending the discussion from one overall concept, to deliberating each aspect separately. These aspects include country of

assembly (Chao, 1993), country of design (Ahmed & d' Astous, 1995), country of manufacture (Iyer and Kalita, 1997), country of parts (Chao, 2001) and country of brand (Fetscherin & Toncar, 2010; Prendergast, Tsang, & Chan, 2010). Realistically, however, consumers tend to simplify their decision-making process by making comprehensive assessments based on the most salient cues (Bettman, Luce, & Payne, 1998). Thus, it can be concluded that the most relevant factors in terms of country origin effect of the products are the product's manufacturing location and country of origin of brand. Individuals pay more attention to these two dimensions when they have to identify and evaluate the level of foreignness of the products. Recent research has shown that both country of origin of a brand and country of manufacture are important for consumers in their product evaluations (Eng, Ozdemir, & Michelson, 2016; Fetscherin & Toncar, 2010; Hamzaoui-Essoussi, Merunka, & Bartikowski, 2011).

To extend the concept of country of origin in study 1, this study proposes a concept of product's perceived foreignness by focusing on two salient attributes of country of origin phenomena which are the country of origin of the brand and the country of manufacture of the product. The concept of product's perceived foreignness is important to study. International marketing literature has verified that consumers link the country from which a product is associated as an extrinsic cue of evaluation (Teas & Agarwal, 2000; Tse & Gorn, 1993). As mentioned earlier, ethnocentric consumers prefer domestic goods because they believe that supporting domestic products is a right thing to enhance the country's wealth. In contrast, ethnocentric consumers detest foreign products as they believe that supporting foreign products is a threat to domestic economy. However, to what extent a hybrid product become perceived foreignness in the view of consumers is debatable. Will consumers perceive the level of foreignness of product under domestic brand but manufacture in fording locations in the same

way when compare with product under the foreign brand but made domestically? In addition, what are the results when the product's perceived foreignness interacts with the role of consumer ethnocentrism?

Therefore, a combination of 2 (domestic versus foreign country of origin of brand) by 2 (domestic versus foreign country of manufacture) taxonomy, four different groups of products are created in the scenarios. These 4 groups also represent the level of product's foreignness ranging from completely domestic to a completely foreign. These four groups are: domestic brand made domestically (Db/Dm), domestic brand made in foreign locations (Db/Fm), foreign brand made domestically (Fb/Dm), and foreign brand made in foreign locations (Fb/Fm).

The conceptual framework of study 2 is presented in Figure 3.

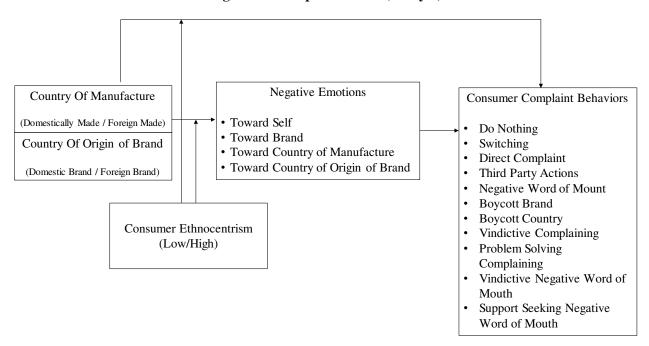


Figure 3 Conceptual Model (Study 2)

As seen from study 1, there is a significance differences between high and low ethnocentrism consumers in term of negative emotions and complaint behaviors after product failure. This can be explained by the concept of extended self and bias when individuals interpret the "wrongdoing". By utilizing the concept of, "Possessions and the Extended Self", Belk (1988) argues that rather than being bound by one's body, the "self" is conceptual, encompassing a person's possessions, family members, friends, close physical environment (neighborhood) and even his/her nation and its artifacts. From this perspective, the consumers' nationality can be conceptualized as part of his/her self, allowing for the possibility that the country of origin effects may arise from their positive association with self.

Even though both of ethnocentrism consumers and non-ethnocentrism consumers might link oneself with his/her nation, they might have different interpretation and reaction differently in the context of product failure. Generally, highly ethnocentrism consumers view that domestic products and/or domestic brands enrich their local economy, while foreign products and/or brands threaten the wealth of nation. They also view in-group members be superior to the others. Therefore, they use "country" as an extrinsic cue for evaluation. As a result, when in group members make a mistake, high ethnocentric consumers tend to have a favorable bias in term of negative reactions. More specifically, they tend to forgive and/or lessen the intensity of negative emotions and complaint behaviors.

In contrast, non-ethnocentric consumers do not rely on the level of product foreignness in their product evaluation, instead employ more intrinsic cues (Shimp & Sharma, 1987).

Moreover, the concept of being superior to others does not apply for non-ethnocentric consumers. Furthermore, they do not think that buying foreign products and/or brands is wrong.

Thus, when faced with the product failure situation, they will rate the negative emotions and

complaint behaviors without bias. Hence, there should be no significant difference between the different levels of product foreignness among low ethnocentric consumers.

Based on above discussion, this study focused to study the negative emotions and complaints behaviors of high ethnocentrism consumers. Study 1 provide evidence that, among high ethnocentrism, the effects of consumer ethnocentrism on the negative emotions and complaints behaviors are vary by country of origin of product that fails. When the level of product foreignness is salient (completely domestic and completely foreign), it is easy to predict the results from what we learned from the previous study. The congruence of country of origin of brand and country of manufacture leads consumers to be easily identify the foreignness of the product. It can be classified as either domestic products or foreign products.

In contrast, when country of origin of brand and country of manufacture are not the same, the evaluation toward that product have two different countries to involve with. The incongruence of country of origin of brand and country of manufacture has changed the way high ethnocentrism consumers evaluate the product. Specifically, a preference towards domestic products among ethnocentric consumers is expected to be reduced when the domestic brand is manufactured in foreign locations. On the other hand, a prejudgment towards the foreign brands is expected to be diminished when they were domestically made. This would match with the assumption of deterioration of the domestic economy due to job loss (Rhiney, 2011). In fact, products under the same brand name can be severely impacted by the manufacturing locations. This suggests that both of manufacturing locations and country of origin of brand are factors that craft bias towards the product evaluation. Therefore, it is interesting and important to study how consumers evaluate the failure situation by using two different dimensions of country of origin as

an extrinsic cue to form their emotions and behavioral responses when country of brand and country of manufacture are not the same (Db/Fm and Fb/Dm cases).

From the attribution perspective, individuals' emotions and reactions after failure are highly influenced by their attributions of the negative experience. Prior research has found that the likelihood of complaint behavior is greater when the cause of dissatisfaction is external (Folkes, 1984; Krishnan & Valle, 1979; Richins, 1983). This suggests that the way consumers attribute failure to external or internal causes is the core of their reaction. For example, Krishnan and Valle (1979) has shown that attributions of blame (self versus external) act as significant predictors of complaint behavior. Specifically, the results reveal that consumers who relate the cause of failure to self are more likely to engage in non-complaining behaviors as compared to those who related the cause of failure to external attributions. Similarly, Valle and Wallendorf (1977) posits that when consumer dissatisfactions are seller-related, they are more likely to complain than when the casual of attribution is buyer-related. These phenomena can be explained by the psychological concept of self-serving bias.

The self-serving bias refers to the tendency of individuals to interpret information and explain outcomes in the manner which is favorable to the self. More specifically, people tend to make internal (self) attributions for successful outcomes and external (person or situation) attributions for failure outcomes (Miller & Ross, 1975). It has been found as a psychological way to protect one's self- concept (Campbell & Sedikides, 1999) and consequently to maintain one's positive view of self (Heider, 1958).

There is empirical evidence for the existence of self-serving bias (for reviews see Miller and Ross, 1975; Taylor and Brown, 1988). For example, the self-serving bias occurs for a variety of events and in a variety of settings. It is evident in employees who attribute receiving

promotions to hard work and exceptional skill, yet attribute rejection of promotions to unfair bosses. It is evident in drivers who attribute accidents to external factors such as the weather, the condition of their car, other drivers rather than their alertness and driving skills (Shepperd, Malone, & Sweeny, 2008).

Utilizing the concept of self-serving bias and the self-extended theory to this current research, when the country of origin of brand and country of manufacture of the product that fails are not the same, highly ethnocentric consumers are more likely to attribute the failure to external causes. In other words, rather than blame domestic origins as a cause of failure, they will blame the shortcoming to foreign origins.

Based on above reasons, it is possible to expect that consumers will evaluate the failure by double standard. The same failure outcomes will be perceived as less acceptable when caused from someone who is not part of one's extended self. Consumers will react more negatively in both term of negative emotions and complaint behaviors when the failure is caused by others, than when caused by extended self.

More specifically, when American brands made in foreign locations fail (Db/Fm), highly ethnocentric consumers are more likely to believe that the reason of failure is the production process in the foreign countries and those failure has nothing related to the brand. As a result, they are less likely to blame the brand but more likely to blame and engage in negative reactions toward the country of manufacture.

Similarly, when the product that fails is a foreign brand that made domestically(Fb/Dm), highly ethnocentric consumers make casual attributions to the brand and country of origin of the brand but not to the country of manufacture. Thus, it can be expected that highly ethnocentric consumers will rate the cause of failure toward the brand and/or country of brand but no mistake

related to the country of manufacture. Hence, high ethnocentrism consumers are more likely to blame the failure to brand and/or country of origin of the brand but less likely to engage in negative reactions toward the country of manufacture.

However, this phenomenon is not observable if the consumers do not use the "country" as extrinsic cues for their evaluation. Therefore, for non-ethnocentric consumers, the negative emotions and complaint behaviors after product failure will not will be different regardless the product's perceived foreignness.

According to the reason discussed, this study focused to investigate the interaction effects among consumer ethnocentrism, country of origin of brand and country of manufacture toward post-consumption emotions and complaint behaviors after product failure. Similar to study 1, the current study examines those interaction effects toward the post-consumption emotions at different targets. Besides negative emotions toward self and brand, which was investigated in study 1, two other targets are added in this study which are negative emotions toward country of manufacture and country of origin of brand. The hypotheses setting for each different targets are discussed below.

#### **Hypotheses Development**

*Self-related Emotions* 

From study 1, the results show that high ethnocentrism consumers feel more regret and anger toward self when the product that failed is a foreign made as compared to domestically made. Based on the result of study 1 and the above discussion, this study expects that the influence of consumer ethnocentrism toward level of regret and anger toward self will depend on both dimensions of country of origin. This imply that there will be a significant three-way interaction effects among high ethnocentrism consumers. More specifically, the level of regret

and anger at self will be rated highest when the product that fails is recognized as foreign brand that made in foreign locations. Contradictorily, both of regret and anger at self will be rated lowest when the product that fails is known as domestic brand and domestically made.

Unlike high ethnocentrism consumers, there should be no significant difference in terms of any negative emotions between the different levels of product foreignness among low ethnocentrism consumers. Therefore, the following hypotheses are proposed:

H1: Highly ethnocentric consumers will rate level of regret highest when the product that fails is foreign brand and manufactured in a foreign location (Fb/Fm), and lowest when the product that fails is domestic brand and domestically manufactured (Db/Dm).

**H2**: Highly ethnocentric consumers will rate level of anger toward self-highest when the product that fails is foreign brand and manufactured in a foreign location (Fb/Fm), and lowest when the product that fails is domestic brand and domestically manufactured (Db/Dm).

**H3**: Among low ethnocentric consumers, there is no significant difference of level of (a) regret, (b) anger, (c) sadness and (d) worry towards self regardless of the country of origin of brand and country of manufacture.

#### **Brand-related Emotions**

When considering the negative emotions toward the brand, the locus of causality plays a role on affective reactions. From study 1, the results showed that high ethnocentrism consumers rated lower level of anger toward brand in the situation of domestic product failure as compare to the foreign failure condition. Unexpectedly, study 1 did not find a significant difference in any other negative emotions as hypothesized.

The hypotheses in this study is based on the same logic and the self-serving bias that was discussed in previous section. As the dependent variables are negative emotions toward brand, it would be expected that the significant differences for negatives emotions between groups occurs due to the interaction of the role of consumer ethnocentrism and the country of origin of brand, not the country of manufacture. In other words, there will be a significant two-way interactions effects of consumer ethnocentrism and country of origin of brand toward the negative emotions toward the brand.

As high ethnocentrism consumers categorized the country of brand as either in-group members or out-group members, they might feel high level of anger toward the brand when the product that fails is foreign brand, regardless where is the country of manufacture, as compared with domestic brand failure condition.

About the worry toward the brand, high ethnocentrism consumers should show more level of concern toward the negative consequence that might impact the brand. Thus, in the situation of product failure, high ethnocentrism consumers are more likely to feel worry toward domestic brand as compared to foreign brand. However, among low ethnocentrism consumers, the bias judgment is not likely to occur. They will rate the level of negative emotions after product failure without considering the brand's origin. Based on above discussion, it is hypothesized that

**H4**: High ethnocentric consumers will rate level of anger toward brand higher when the product that fails is foreign brand as compared with domestic brand, regardless the country of manufacture.

**H5**: High ethnocentric consumers will rate level of worry toward brand higher when the product that fails is domestic brand as compared with foreign brand, regardless the country of manufacture.

**H6**: Among low ethnocentric consumers, there is no significant difference of level of (a) anger, (b) sadness and (c) worry towards brand regardless of the country of origin of brand and country of manufacture.

#### Country of Manufacture-related Emotions

Similar to brand-related emotions, the emotions toward country manufacture of the product is based on the logic of attribution theory combining with the self-serving bias theory. Individuals tend to avoid blaming themselves and in-group members but claim that the failure is caused by others. Different from the brand-related emotions, the negative emotions toward country of manufacture is depend on the different level of country of manufacture, not country of origin of brand. In other words, there will be a significant two-way interactions effects of consumer ethnocentrism and country of manufacture toward the negative emotions toward the country of manufacture among high ethnocentrism consumers.

High ethnocentrism consumers tend to have a higher level of anger when product that fails was made in foreign locations as compare to domestically made, no matter what is the country of origin of brand. In addition, they will feel more worry toward the home country if the domestically made product fails as compared with product that manufactured in foreign locations. Again, it was not expecting to find the significant differences of negative emotions toward country of manufacture between levels of foreignness of products among low ethnocentrism consumers. This leads to following hypotheses.

**H7**: High ethnocentric consumers will rate level of anger toward country of manufacture higher when the product that fails was manufactured in foreign locations as compared with domestically made, regardless the country of origin of the brand.

**H8**: High ethnocentric consumers will rate level of worry toward country of manufacture higher when the product that fails was domestically made as compared with foreign made, regardless the country of origin of the brand.

**H9**: Among low ethnocentric consumers, there is no significant difference of level of (a) anger, (b) sadness and (c) worry towards country of manufacture regardless of the country of origin of brand and country of manufacture.

#### Country of Origin of Brand-related Emotions

Similar to emotion toward the brand, consumers will use the country of origin of brand rather than country of manufacture in the way to reflect their negative emotions. Therefore, based on the same logic, it would be expected that

**H10**: High ethnocentric consumers will rate level of anger toward country of origin of brand higher when the product that fails is foreign brand as compared with domestic brand, regardless the country of manufacture.

**H11**: High ethnocentric consumers will rate level of worry toward country of origin of brand higher when the product that fails is domestic brand as compared with foreign brand, regardless the country of manufacture.

**H12**: Among low ethnocentric consumers, there is no significant difference of level of (a) anger, (b) sadness and (c) worry towards country of origin of brand regardless of the country of origin of brand and country of manufacture.

### Coping Response and Complaint Behaviors

Coping refers to the actions or thoughts that people feel when dealing with stressful encounters. More specifically, Lazarus and Folkman (1984), defined coping as "constantly changing cognitive and behavioral efforts to manage specific external and/or internal demands that are appraised as taxing or exceeding the resources of the person" (p. 141). Coping is often triggered by negative emotions because people seek to reduce their emotional distress and induce more favorable emotional states (Duhachek, 2005; Lazarus, 1991). Numerous researchers have suggested that negative emotions affect consumers' choices of coping strategies. Folkman and Lazarus's (1985) seminal work classified coping into two distinct but complementary strategies: emotion-focused coping and problem-focused coping. Other frameworks of coping were proposed for diverse coping strategies that are more parsimonious, empirically derived and theoretically rich. For example, Duhachek (2005) proposed three categorize of coping strategies with consisting of expressive coping, active coping and avoidance/denial coping. Likewise, Yi and Baumgartner (2004) developed a typology of coping that is relevant in consumer behavior settings by proposing eight coping strategies and suggested that each coping behavior was helpful to control negative emotions, and that typically multiple coping strategies were employed.

In study 1, it was argued that complaining may occur due to different underlying motivations. For example, some consumers may engage in direct complaining to take revenge to

punish and cause harm to firms for their failures. In contrast, some consumers may directly complain to help the firms to prevent such failures rather than harm the company. Therefore, desire for revenge and desire for warning were uses as proxies to capture the different motivations under the same behavior. The results in study 1 did not conclusively support this. Therefore, in this study, two distinct types of complaining (vindictive complaining and problem-solving complaining) and two distinct types of negative word of mouth (vindictive negative word of mouth and support seeking for negative word of mouth) are measured instead of the desire for revenge and desire for warning of study 1.

The four new dependent variables that were added in study 2 are well established in the literature (Gelbrich, 2010). The foundation of changing the proxy is based on the concept of confrontative coping and support-seeking coping. In confrontative coping, consumers act aggressively to attack another party (Folkman, Lazarus, Dunkel-Schetter, DeLongis, & Gruen, 1986). While support seeking is the situation where consumers may turn to their social environment for some advice and/or emotional supports (Yi & Baumgartner, 2004). It has been well established in the literature that social support is essential for physical and mental prosperity since they help in basic life circumstances (Schaefer, Coyne, & Lazarus, 1981).

There are two behaviors that were selected to focus on for confrontative coping in this study. They are vindictive complaining and vindictive negative word of mouth. Vindictive complaining means that customers turn to the company and verbally abuse its employees (Grégoire & Fisher, 2008). Vindictive complaining is an aggressive type of "voice response" in Singh's (1988) taxonomy: it is a direct form of retaliation that aims to rebuke an organization (Hibbard, Kumar, & Stern, 2001). While vindictive negative word of mouth refers to unfavorable communication with other which have intention to disparage a company (Richins, 1983).

Support seeking negative word of mouth and problem-solving complaining were the two support seeking coping behaviors included in this study. Support-seeking negative word of mouth refers to the situation where consumers share their experience about the failures to their social environment to seek empathy and understanding (Stephens & Gwinner, 1998; Yi & Baumgartner, 2004). The purpose is to eliminate the negative emotions through sharing with others (Singh, 1988). Whereas, problem-solving complaining refers to the situation where consumers interact with the organization's representative after a failure to find a solution for the problem (Grégoire & Fisher, 2008). According to Folkes et al. (1987), problem-solving complaining is beneficial since the complainers try to analyze and fix the problem in a rational way.

As mentioned earlier, individuals' coping responses are highly influenced by their attributions of the negative experience. It has been found that when consumers attribute the failure to sellers, they are more likely to engage in confrontative coping. In contrast, when customers do not attribute the failure to sellers, they are more likely to engage in coping that is not vindictive in nature (Gelbrich, 2010). This suggests that the way consumers attribute the cause of failure to external or internal is the core of their coping strategies.

Therefore, in this study, four new dependent variables were added to the six complaint behaviors used in previous study. These ten complaint behaviors include do nothing, switching, third party actions, boycott against brand, boycott against country of manufacture, boycott against country of origin of brand, vindictive complaining, problem solving complaining, vindictive negative word of mouth and support seeking negative word of mouth.

By utilizing the concept of self and locus of causality in attribution theory, it can be predicted that when failure is attributed to the external cause such as in the case of foreign

failure, ethnocentric consumers may involve in confrontative coping rather than support seeking coping. In contrast, if the failure is attributed to the self, such as in domestic product failure, consumers are more engaged in the support seeking coping.

To categorize whether the product that fails is internal or external, consumers may use either country of origin of brand and/or country of manufacture as an extrinsic cue. Therefore, it can be expected that both dimensions of country of origin have influences on the complaint behaviors. This leads to the following hypotheses:

H13: There is two-way interactions between country of manufacture and level of consumer ethnocentrism toward the level of complaint behaviors in such a way that

H13A: High ethnocentrism consumers will be more likely to engage in (a) do nothing, (b) problem solving complaining and (c) support seeking negative word of mouth when the product that fails is domestically manufactured as compared to foreign manufactured.

H13B: High ethnocentrism consumers will be less likely to engage in (a) switching behaviors, (b) third party actions (c) boycott towards country of manufacture, (d) vindictive complaining and (e) vindictive negative word of mouth when the product that fails is domestically manufactured as compared to foreign manufactured.

H14: There is two-way interactions between country of origin of brand and level of consumer ethnocentrism toward the level of complaint behaviors in such a way that

H14A: High ethnocentrism consumers will be more likely to engage in (a) do nothing, (b) problem solving complaining and (c) support seeking negative word of mouth when the product that fails is domestic brand as compared to foreign brand.

H14B: High ethnocentrism consumers will be less likely to engage in (a) switching behaviors, (b) third party actions (c) boycott against brand, (d) boycott against country of origin of brand, (d) vindictive complaining and (e) vindictive negative word of mouth when the product that fails is domestic brand as compared to foreign brand.

H15: Among low ethnocentric consumers, there will be no significant differences in complaint behaviors between levels of foreignness of products. (The relationship in H13A, 13B, 14A and 14B are not significant).

## Methodology, Design, Sampling and Procedure of study 2

Prior to conducting study 2, the strengths and weaknesses of experimental study 1 was reviewed and analyzed. After considering several ways to collect the data in study 2, experimental study was chosen. However, to increase the generalizability of the results from study 1, a new scenario was developed through a series of pretest.

Though scenarios in study 1 was well developed based on information from a series of pretest, there could be concerns about how well the scenarios elicit the negative emotions from the subjects. Therefore, this study will use the stories where the participants experienced negative emotions based on a real situation of product failure. This was done by pre-test 1 where participants were asked to recall and describe an event in which they bought something and found that the product underperformed. They were asked details about what the product was, what exactly happened, who was involved in the experience, where and when it happened, why the things that happened caused particular emotions, where the product came from, etc. They also asked to list all of negative emotions they felt and the intensity of each.

Based on results from 28 respondents in pre-test 1, three different situations were selected for a further study in pre-test 2. These stories were selected based on the logic of the realistically of the story, the ability to elicit the negative emotions, the product familiarity among target sample and the probability that the event can happen to anyone. In summary the three situations are: (1) Individuals who buy a new smartphone but have to carry a mobile charger everywhere and not able to take any photo because a smartphone had a short battery life and no working camera. (2) Individuals who buy a new camera for travel but all photos they got were not in focus because there was a cracked board inside. After he sent it for repair, he took the camera with him for another trip. Unfortunately, he missed an opportunity to preserve his memories during the trip by taking pictures as the camera is not working. (3) Individuals who buy a new laptop to study in the university and found that the WIFI card was not reliable. This made him to use school's computer lab for studying. After he sent it for repair, he uses his laptop working on his final project. While he was working, the laptop suddenly shut off. Even though, the laptop was later being restarted, all of his work was gone. So he cannot submit his assignment by the deadline.

In pre-test 2, another 32 respondents were randomly assigned to read one of three situations. Subjects were asked to read the scenario and then rate the intensity of each negative emotions, the likelihood to participate in each complaint behaviors, the realistic of the story and whether they or relatives have any experience similar to the story. This was done to affirm which stories is the most effective to choose for the main study. Based on criteria that already mentioned, the laptop failure was selected for the main study.

For the main study, experimental design was used to test the hypotheses. The scenario is about a situation that participants buys a new laptop for studying, and that laptop fails (See

Appendix C for the scenario). Hypothetical scenarios were used to manipulate the county of manufacture and country of origin of brand. Subjects were randomly assigned to read one of the four scenarios about the same event of product failure but the country of manufacture and country of origin of brand were changed. The level of consumer ethnocentrism is measured and then categorized as either high or low based on the median-split. The dependent variables which are negative emotions and complaint behaviors are measured

The measurement of variables in the current study is similar to study 1. All of 19 negative emotions in the first study were employed in study 2 as well. The level of consumer ethnocentrism also used the 17 items CEESCLAE developed by Siamagka and Balabanis (2015) as the same in study 1. Besides five complaint behavior of do nothing, switching, third party actions, boycotting against brand and boycott against country of origin of product failure, four new complaints behaviors were added in to this current study. These are measured by multiple reflective items. The respondents were asked to rate the likelihood to participate in each complaint behaviors which are measured on a 1-7 Likert scale with 1 being "extremely unlikely" and 7 being "extremely likely". The four new complaint behaviors added in this study are:

Vindictive complaining is measured by three items, which include (1) "I would complain directly in order to give the representative a hard time", (2) "I would complain directly to be unpleasant with the representative of the company" and (3) "I would complain directly in order to make someone from the organization to pay for the failure".

Problem-solving complaining consists of three items, which include (1) "I would complain directly to discuss the problem constructively", (2) "I would complain directly to find an acceptable solution for both parties" and (3) "I would complain directly to work with someone from the organization to solve the problem".

Vindictive negative word of mouth is measured by three items, which include (1) "I would talk to other people about my negative experience of product failure to spread negative word of mouth about the product", (2) "I would talk to other people about my negative experience about the product failure to denigrate the product to others" and (3) "I would talk to other people about my negative experience about the product failure to warn others not to stay at the hotel".

Support-seeking negative word of mouth consists of four items, which include (1) "I would talk to other people about my negative experience of product failure to get some comfort", (2) "I would talk to other people about my negative experience about the product failure to reduce my negative feelings", (3) "I would talk to other people about my negative experience about the product failure to feel better" and (4) "I would talk to other people about my negative experience about the product failure to share my feelings with others".

After the scenario and questionnaire were developed, the minimal sample size was calculated. By using G\*power program, and selecting "A priori: Compute required sample size" analysis for F-tests, MANOVA global effect with number of groups equal to 8, response variables of 10, effect size equal to 0.05, alpha equal to 0.05, and power equal to 0.95, the result suggests that the desired minimum sample size for study 2 is equal to 152.

A sample was from undergraduate students at a leading university on the East Coast. They participated in exchange for class credit as part of a subject pool. The instrument used to collect data is an online survey software program provided by Qualtrics (www.qualtrics.com). At the beginning of the experimental session, participants were instructed that they were involved in two unrelated surveys. The first one was about the problem-solving skills and attitude toward foreign products. The second one was about how consumers handle situations of product failure.

Since the objectives of this study was to investigate the role of consumer ethnocentrism on the post consumption emotions and complaint behaviors, the target respondents were restricted to US citizens who born and grew up in the United State of America. To check these requirements from all participants, the qualifying questions were asked on the online survey. Data collection was anonymous and completely voluntary which means they could exit from the study at any time. Furthermore, to prevent missing data problems, the online survey was set to forces participants to respond to all questions before submitting the survey.

After entering the online survey, participants were asked to answer 17-item scale to measure the level of consumer ethnocentrism. Then they were asked to try to solve the math puzzle which was a filler task in this experiment. After that, one of four scenarios were randomly presented. They were presented with the conditions of product failure which differ in term of country of manufacture and country of origin of brand of the product (domestic/foreign). Then, they were asked about their negative emotions toward different targets and their complaint behaviors. In the final part, respondents were asked to fill the demographic data which includes respondent's age, gender, race and place of birth of the respondent's parents. This information used as screen questions to qualify respondents.

### **CHAPTER 6: ANALYSIS OF STUDY 2**

This chapter provides the data analysis and the results of study 2 which is divided into five sections. First, the chapter begins with the description statistics of all variables and sample size are explained. Then, exploratory factor analysis and scale reliability was presented. Fourth, manipulation check effectiveness was examined. Fifth, the conceptual model was tested by four separating three-way multivariate analysis of variance (MANOVA). They were conducted to examine the interactions effects of the country of origins of the brand (domestic brand VS foreign brand), country of manufacture (domestically made VS foreign made) and the level of consumer ethnocentrism (low VS high) on four different targets' post consumption emotions and complaint behaviors. In each case, simple main effects analysis was performed when interactions are present.

### **Descriptive Statistics**

From 257 completed responses, only 212 (82.49%) were usable for future analysis. Thirty-seven (37) responses were deleted because the subjects did not pass the qualified questions (both subjects and parents must be born in the United States.). Eight (8) cases were eliminated because the respondents failed the manipulation checks.

As presented in Table 9, the final sample of 212 respondents included 105 (49.5%) males and 107 (50.5%) females. Overall, the participants were aged 18 to 64 years with the mean age at 25.52 years. The majority race of the participants was White (61.8%, n = 131), followed by African American (21.2%, n = 45), and Native American (9.9%, n = 21).

Table 9 Demo Graphic Information of Subjects (Study2)

7	Variables	Value	Percentage
C 1	Male	105	49.53
Gender	Female	107	50.47
	White/Caucasian	131	61.79
	African American	45	21.23
	Hispanic	7	3.30
Race	Asian	1	0.47
	Native American	21	9.91
	Pacific Islander	3	1.42
	Other	4	1.89
	18-24	134	63.21
	25-31	47	22.17
Age	32-38	18	8.49
	39-45	7	3.30
	46 and Above	6	2.83

By assignment, 53 of participants were presented the scenario of domestic product failure (domestic brand that made in United States), 54 participants were assigned to foreign product failure (foreign brand that made from foreign countries), 52 participants read the scenario where the product that fails is a domestic brand but made in foreign countries and the remaining 53 participants were in the condition of a foreign brand product but made in the United States. The 17 items 7-point Likert scale was used to measure the level of consumer ethnocentrism.

Participants' score ranged from 17-119 with the mean score of 67.62. The participants were categorized as either low or high ethnocentrism by median split (Median =67.00). This leads to the distribution of sample in eight scenarios as presented in Table 10.

**Table 10 Classification of Subjects in Each Treatments** 

Country of origin of brand and	LEVE		
Country of Manufacture	LOW CET	HIGH CET	Total
Domestic Brand, Made in USA	27	26	53
Domestic Brand, Made Elsewhere	27	25	52
Foreign Brand, Made in USA	25	28	53
Foreign Brand, Made Elsewhere	27	27	54
Total	106	106	212

# **Exploratory Analysis**

Exploratory factor analysis (EFA) was performed on the negative emotions. This analysis can extract the separate constructs for the measured variables. The difference between principle components analysis and factor analysis is that principle component analysis attempts to account for the total variance of the measured variables but factor analysis attempts to account for only the variance common to the factor (Meyer, Riesel, & Proudfit, 2013). The objective of the study is to identify the number of parsimonious representation of the associations among measured variables, and so EFA was more appropriate to find the underlying dimensions of negative emotions.

Emotions were rated towards four different targets, therefore, four separate principle axis factoring (PAF) with oblique/promax rotation were conducted. Similarly, to study 1, an eigenvalue greater than 1.0 is the criterion used to choose the number of factors. In addition, items with communalities lower than 0.60 or have higher cross loadings greater than 0.30 with other components were dropped. The Kaiser-Meyer-Olkin test (KMO) and Bartlett's test of sphericity were also used to examine the measures of sampling adequacy.

Table 11 presents the result of EFA for the self-directed emotions showing four reliable factors with an eigenvalue over 1. The four factors accounted for 78.46% variance. The KMO was observed to be 0.902 which indicates that patterns of correlations are relatively compact and so factor analysis should yield distinct and reliable factors. Bartlett's test of sphericity, which tests the overall significance of all the correlations within the correlation matrix, was significant  $(\chi^2(171) = 4676.57, p < 0.001)$ , and indicates that it was appropriate to use the factor analytic model on this set of data. The first factor was robust, with a high eigenvalue of 9.79, and it accounted for 50.44% of the variance in the data. This factor included eight negative emotions which are anger, frustration, irritation, madness, dislike, hostility, disgust and hatred. Group labeling was created according to the prototype emotion of each group. Therefore, the first factor was labeled as "Anger". The second factor had an eigenvalue of 2.62 and for a further 12.62% of the variance. This group of emotions consist of nervousness, worry, insecurity and anxiety. This factor was labeled as "Worry". For the third factor, the eigenvalue was 2.08 and yield for 10.17% additional variance explained. This factor was labeled as "Sadness" since it was formed by the negative emotions of sadness, upset, distress and sorrow. The last factor is associated with the self-directed emotions which consists of guilt, shame and regret. This factor had an eigenvalue of 1.22 and created for 5.24% of the variance. This group was labeled as "Regret". The results reveal the grouping factors of negative emotions as the same as the results in study 1 which means the validity of each group of emotion is robust.

**Table 11 Factor Loadings of Self-directed Negative Emotions** 

		Fac	tor	
	1	2	3	4
Self-Irritation	.919			
Self-Frustration	.907			
Self-Dislike	.874			
Self-Madness	.873			
Self-Hostility	.872			
Self-Disgust	.858			
Self-Anger	.822			
Self-Hatred	.795			
Self-Nervousness		.947		
Self-Worry		.852		
Self-Anxiety		.844		
Self-Insecurity		.788		
Self-Upset			.919	
Self-Sadness			.840	
Self-Distress			.819	
Self-Sorrow			.701	
Self-Guilt				.967
Self-Shame				.964
Self-Regret				.576
Eigenvalues	9.794	2.622	2.079	1.217
% of Variances	50.437	12.619	10.173	5.237

Next, the exploratory factor analysis for brand-directed emotions was done. The emotion of upset showed a cross-loading on two factors, therefore, this item was dropped. The remaining 15 negative emotions revealed a three-factor solution which accounted for 79.28% of variance. As reported in Table 12, the Kaiser-Meyer-Olkin measure of sampling adequate was equal to 0.885 and Bartlett's test of sphericity was significant ( $\chi^2$  (105) = 3857.48, p < 0.001). These indicate that this data set is suitable to for factor analysis. The eigenvalues for factors one, two and three were 7.49, 3.59 and 1.41 respectively. The results showed that negative emotions form the group in the same pattern of the self-directed emotions. The first factor was the "Anger"

which explains 48.64% of total variance and consists of eight negative emotions related to anger (same as the self-directed emotions). The second factor was a group of "Worry" related emotions which account for 22.48% of total variance. The emotions that was loaded on this group are nervousness, worry, insecurity and anxiety. The last factor which accounted for additional 8.11% of the total variance is "Sadness" which was formed by sadness, distress and sorrow.

**Table 12 Factor Loadings of Brand-directed Negative Emotions** 

		Factor	
	1	2	3
Brand-Madness	.993		
Brand-Frustration	.986		
Brand-Irritation	.985		
Brand-Anger	.942		
Brand-Dislike	.909		
Brand-Hostility	.766		
Brand-Disgust	.738		
Brand-Hatred	.689		
Brand-Anxiety		.970	
Brand-Insecurity		.859	
Brand-Nervousness		.833	
Brand-Worry		.833	
Brand-Sadness			.972
Brand-Sorrow			.940
Brand-Distress			.556
Eigenvalues	7.488	3.588	1.412
% of Variances	48.641	22.482	8.105

For emotions toward country of manufacture and country of origin of brand, the EFA revealed slightly different results from the study 1. The first study had only 2 factors that had eigenvalues greater than 1. However, in this study, the results indicated that the measured items were categorized into three groups. These three groups were "Anger", "Worry" and "Sadness"

Table 13 presents the results of country of manufacture-directed emotions. Three factor solution accounted for 88.06% of total variance. The eigenvalues for the three factors were 9.96, 3.31 and 1.19 respectively. The first factors yield 61.50% of total variance and formed by eight emotions related to "Anger" which are anger, frustration, irritation, madness, dislike, hostility, disgust and hatred. The second factor was the "Worry" group and included four emotions of nervousness, worry, insecurity and anxiety. This group added for 20.01% of total variance.

Lastly, the negative emotion of sadness, upset, sorrow and distress formed the third factor that accounted for a further 6.54% of the variance.

**Table 13 Factor Loadings of Country of Manufacture-directed Negative Emotions** 

		Factor	
	1	2	3
Country of Manufacture-Dislike	.970		
Country of Manufacture-Anger	.953		
Country of Manufacture-Disgust	.946		
Country of Manufacture-Hostility	.941		
Country of Manufacture-Madness	.934		
Country of Manufacture-Hatred	.932		
Country of Manufacture-Frustration	.932		
Country of Manufacture-Irritation	.915		
Country of Manufacture-Anxiety		.978	
Country of Manufacture-Nervousness		.967	
Country of Manufacture-Worry		.966	
Country of Manufacture-Insecurity		.851	
Country of Manufacture-Sadness			.930
Country of Manufacture-Distress			.922
Country of Manufacture-Sorrow			.884
Country of Manufacture-Upset			.798
Eigenvalues	9.959	3.308	1.187
% of Variances	61.504	20.014	6.538

Table 14 presents the results of country of origin of brand-directed emotions. The results indicated that the measured items were categorized into three groups with the total variance explained of 89.87%. The first group was anger-related emotions with an eigenvalue of 10.15, and it accounted for 62.80% of the variance in the data. The second factor was worry-related emotions with an eigenvalue of 3.29 and with 20.04% of the variance. The third factor is sadness-related emotions with an eigenvalue of 1.24 and with 7.03% of the variance.

**Table 14 Factor Loadings of Country of Brand-directed Negative Emotions** 

		Factor	
	1	2	3
Country of Brand-Hatred	.977		
Country of Brand-Hostility	.972		
Country of Brand-Disgust	.964		
Country of Brand-Dislike	.954		
Country of Brand-Madness	.950		
Country of Brand-Anger	.949		
Country of Brand-Irritation	.921		
Country of Brand-Frustration	.903		
Country of Brand-Anxiety		.984	
Country of Brand-Worry		.961	
Country of Brand-Nervousness		.951	
Country of Brand-Insecurity		.941	
Country of Brand-Sadness			1.020
Country of Brand-Sorrow			.891
Country of Brand-Distress			.864
Country of Brand-Upset			.793
Eigenvalues	10.150	3.292	1.244
% of Variances	62.799	20.041	7.031

It is important to note that from 4 separated EFAs, the results showed that each group of factors were formed based on the same emotions. In addition, the results are identical with the EFA in the previous study. Therefore, these factors are robust to use for further analysis.

# **Scale Reliability**

As mentioned in previous chapter, the dependent variables of this study consist of groups of negative emotions and groups of complaint behavior. To measure the internal consistencies of each dependent variables, reliability was tested by Cronbach's (1951) alpha. Cronbach's coefficient alpha is the most commonly reported estimate of scale reliability, and measures the internal consistency of all the items within a single construct. Cronbach's coefficient alpha indicates whether all the items of the same construct point in the same direction (Cronbach & Meehl, 1955). In general, reliability coefficients above 0.70 are considered "adequate", and values around 0.80 are "very good" (Kline, 2015).

According to Table 15 below, all Cronbach's alpha values from all variables in this study were greater than 0.80 which indicates that all measurement items were acceptable and reliable. All constructs except brand-sadness, country of brand sadness, switching behavior and third party actions have the Cronbach's alpha score over 0.90 which suggests excellent internal reliability (Meyer et al., 2013).

Table 15 Reliability Analysis of Dependent Variables

	Number of Items	Item-Total Correlations	Cronbach's Alpha
Self_Anger	8	0.819-0.910	0.964
Self_Sadness	4	0.725-0.836	0.912
Self_Worry	4	0.713-0.863	0.919
Self_Regret	3	0.727-0.891	0.916
Brand_Anger	8	0.832-0.924	0.967
Brand_Sadness	4	0.614-0.821	0.878
Brand_Worry	4	0.780-0.896	0.925
Country of Manufacture_Anger	8	0.912-0.954	0.986
Country of Manufacture_Sadness	4	0.850-0.911	0.951
Country of Manufacture_Worry	4	0.883-0.947	0.971
Country of Brand_Anger	8	0.919-0.966	0.987
Country of Brand_Sadness	3	0.704-0.859	0.889
Country of Brand_Worry	4	0.938-0.961	0.980
Do Nothing	3	0.772-0.877	0.909
Third party Actions	3	0.629-0.797	0.852
Switching	3	0.667-0.853	0.875
Boycott_Brand	2	0.852	0.920
BoyCott_Country of Maufacture	2	0.951	0.975
BoyCott_Country of Brand	2	0.976	0.988
Vindictive Complaining	3	0.671-0.889	0.903
Problem Solving Complaining	3	0.902-0.947	0.963
Vindictive Negative Word of Mouth	3	0.769-0.905	0.918
Support seeking Negative Word of Mouth	4	0.815-0.877	0.932

# **Manipulation Checks**

Manipulation checks were conducted to ensure that the treatments worked as intend. To confirm that subjects paid attention to the scenario, two questions about the details in scenario were asked. "What is the product in the scenario?" and "What happened to the product in the story?" The results revealed that all the respondents answered correctly for both questions.

To check the manipulation of the first experimental variable, country of origin of the brand, subjects were asked to recall the scenarios and specify the brand origin of the product.

The results showed that 1.82% (4 from 220 respondents) of the respondents choose a wrong answer. To check the manipulation of second experimental variable, country of manufacture, subjected were asked where the product was manufactured. With simple answer of United States of America or Foreign country, 4 respondents (1.82%) got wrong answer. These eight respondents were dropped from the study. The difference between the correct versus wrong number of answers was significant (chi-square = 189.16, df = 1, p < .001) which indicated a successful manipulation of treatments.

#### **Hypothesis testing**

The relationship between country of origin of product and level of ethnocentrism to different dependent variables was examined. To test proposed three-way interaction effect of country of origin of brand, country of manufacture and level of consumer ethnocentrism toward the negative emotions and complain behaviors, a multivariate analysis of variance (MANOVA) was conducted to minimize the type I error.

Prior to conducting data analysis, it was important to check whether all the assumptions of MANOVA were met, which include independence of observations, homogeneity of variance, the absence of multivariate outliers and the absence of multicollinearity.

Preliminary checking revealed that there was no multivariate outlier as assessed by Mahalanobis distance (p < .001). The assumption of homogeneity of covariance across groups was also checked. Even though the Box's test in the case of self-directed emotions and country directed emotions reveals a significant result (p < .001), implying that the assumption of homogeneity of covariance matrices is violated, there is a less of concern in this issue since the sample size of each groups are nearly equal (Leech et al., 2005). Finally, the correlation between the dependent variables in each case was checked. The correlations range from 0.348 to 0.602 in

the group of self-directed emotions, from 0.349 to 0.508 for brand-directed emotions, from 0.294 to 0.638 for emotions toward country of manufacture, and from 0.327 to 0.620 for country of brand origin-directed emotions. All the correlations were less than the critical value of 0.90 which leads to conclude that these dependent variables are suitable for use in MANOVA as there is no evidence of multicollinearity (Hair et al., 2006).

Three-way MANOVA on Self-directed Emotions

The first set of hypotheses proposed that the level of negative emotions toward self after product failure depend upon a three-way interaction between the country of origin of brand, country of manufacture and level of consumer ethnocentrism. It has been argued that high ethnocentrism consumers will have a level of self-anger, and regret highest when product that fails was a foreign brand that made outside the United States. In contrast, the level of self-anger and regret will be lowest when the product that fails was domestic brand that locally made. When the level of foreignness of product was mixed (either domestic brand that made in foreign county or foreign brand that made domestically), the level of self-anger and regret should be in the between as compared when the level of foreignness is salient. However, there will be no differences in term of negative emotions toward self among low ethnocentrism consumers.

In order to test hypotheses, the first three-way MANOVA was conducted by treating level of consumer ethnocentrism, country of origin of brand and country of manufacture as independent variables. Four group of self-directed negative emotions which derived from exploratory factor analysis were treated as dependent variables. Box's M statistic tested the homogeneity of variance-covariance and was used to determine which multivariate test was used. Box's M statistic was significant (M = 121.551, F(70, 56430.85) = 1.62, p = .001). This implies that the assumption for homogeneity of variance was violated, however, with nearly

equal sample size in each group, MANOVA robust to Type I errors (Carifio & Perla, 2007; Mertler & Vannatta, 2013; Tabachnick & Fidell, 2013). According to Mertler and Vannatta (2013), it is more appropriate to use Pillai's Trace instead of the Wilk's Lambda when the Box's M statistic was significant. Therefore, in this case, Pillai's Trace (V) would be reviewed.

Table 16 shows the results of the three-way MANOVA of three response variables: country of origin of brand (COB), country of manufacture (COM), and level of consumer ethnocentrism (CET). The results revealed two significant main effects and two significant two-way interactions effects between the level of ethnocentrism and the dimension of the country of origin of the product either the country of brand or country of manufacture. However, when both of dimension of country origin and level of consumer ethnocentrism were combined, the three-way interaction is not significant.

Table 16 Three-way MANOVA on Negative Emotions Toward Self

	Pillai's				Partial Eta	
	Trace	F	df.	Sig.	Squared	Power
Country of Origin of Brand (COB)	.052	2.768	(4, 201)	.029	.052	.754
Country of Manufacture (COM)	.073	3.979	(4, 201)	.004	.073	.903
Level of Consumer Ethnocentrism (CET)	.044	2.298	(4, 201)	.060	.044	.662
COB*COM	.039	2.024	(4, 201)	.092	.039	.599
COB*CET	.085	4.682	(4, 201)	.001	.085	.947
COM*CET	.055	2.907	(4, 201)	.023	.055	.777
COB*COM*CET	.005	.259	(4, 201)	.904	.005	.106

According to Maxwell and Delaney (2004), main effects only indicate the effects of one independent variable with averaging the effects of all other variables on dependent variables, and interpretations of main effects become meaningless if higher-order interactions are significant. In general, higher-order interactions supersede lower-order and lower-order interactions supersede

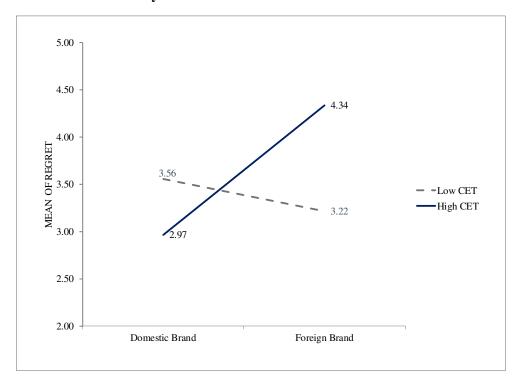
main effects (Gamst, Meyers, & Guarino, 2008). Therefore, further analysis should focus on higher-order interaction effect which in this study is the two-way interactions

The first significant two-way interactions is the interaction of country of brand and level of consumer ethnocentrism; Pillai's Trace = 0.085, F (4, 201) = 4.682 p = .001 and power = 0.947. This means that the effect of country origin of brand of product failure on post consumption emotions depends on which consumer ethnocentrism level is being considered.

The follow-up univariate ANOVAs were analyzed. The results showed that, from four group of negative emotions, only regret scores were significantly different between groups F (1,204) = 10.171 (p = 0.002), partial  $\eta^2 = 0.047$  and power = 0.888. The significant interaction effect means the effect of one independent variable on the dependent variable is depend upon the level of another variable. To gain more understanding of this relationship, the simple main effects were then conducted. The reason for running simple main effects rather than separate MANOVAs is that simple main effects use the error term of the whole analysis rather than just the groups being compared.

The simple main effect of country of origin will be analyzed as the results will compare the effect of country of origin of brand on the group of negative post consumption emotions at each level of consumer ethnocentrism. The overall multivariate tests reveal that there is no significant difference on the linear combination of post consumptions scores for consumers who have a low level of consumer ethnocentrism, regardless of the country of origin of product; Pillai's Trace = 0.014, F (4, 201) = 0.693, p = 0.598 and power = 0.222. In contrast, country origin of brand had a statistically significant effect on the linear combination of post consumption emotions scores for high ethnocentrism consumers Pillai's Trace = 0.118, F (4, 201) = 6.755, p < .001 and power = 0.993.

Follow-up univariate ANOVAs show that there were statistically significant differences among high ethnocentrism consumers in the level of regret as compared between domestic-brand failure condition and foreign-brand failure condition. Specifically, participants rate higher regret F(1,204) = 13.058 (p<0.001), partial  $\eta^2 = 0.060$ . In other words, high ethnocentrism consumers rated higher level of regret toward self in the situation of foreign brand failure as compared to the domestic brand failure. The means plot is reported in Graph 9.



Graph 9 Means of Self-Regret as a Function of Country of Origin of Brand by Level of Consumer Ethnocentrism

The results discuss above leads to the conclusion that there is no difference in level of (a) anger (b) regret (c) sadness and (d) worry toward self across the country of origin of brand of the product failure among low ethnocentrism consumers. In contrast, among high ethnocentrism

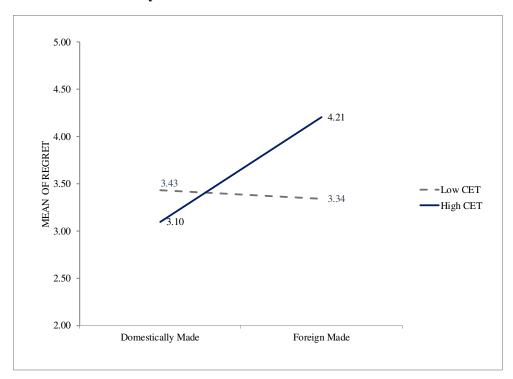
consumers, there is significant differences in level of regret based on the country of origin of product failure but not in case of sadness and worry.

The second significant two-way interactions is the interaction of country of manufacture and level of consumer ethnocentrism; Pillai's Trace = 0.055, F (4, 201) = 2.907 p = .023 and power =0.777. Again, this implies that the effect of country manufacture of product failure on post consumption emotions depends on which consumer ethnocentrism level is being considered.

The follow-up univariate ANOVAs showed similar result, regret was only one of four group of negative emotions that was statistically significant F (1,204) = 5.006 (p = 0.026), partial  $\eta^2$  = 0.024 and power = 0.605. The simple main effect of country of manufacture was further analyzed.

The overall multivariate tests reveal that there is no significant difference on the linear combination of post consumptions scores for consumers who have a low level of consumer ethnocentrism, regardless the country of manufacture of product; Pillai's Trace = 0.036, F (4, 201) = 1.874, p = 0.116 and power = 0.561. In contrast, country of manufacture had a statistically significant effect on the linear combination of post consumption emotions scores for high ethnocentrism consumers Pillai's Trace = 0.091, F (4, 201) = 5.011, p < .001 and power = 0.960.

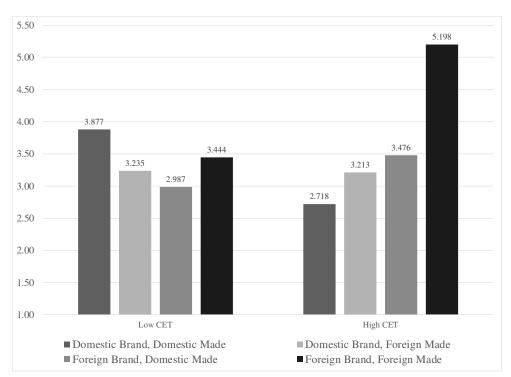
Follow-up univariate ANOVAs show that there were statistically significant differences among high ethnocentrism consumers in the level of regret. Participants rate higher level of regret F (1,204) = 8.531 (p = 0.004), partial  $\eta^2$  = 0.040 when product that fails was foreign made and compared to domestically made. The means plot is reported in Graph 10.



Graph 10 Means of Self-Regret as a Function of Country of Manufacture by Level of Consumer Ethnocentrism

From the discussion above, it can be concluded that there is no significant relationship between the interaction of any dimension of country origin and level of consumer ethnocentrism for any negative emotions toward self among low ethnocentrism consumers. Therefore, hypothesis 3 was supported.

In contrast, among high ethnocentrism consumers, results indicate that there is a significant effect of the interaction between consumer ethnocentrism and either country of origin of brand or country of manufacture toward the level of regret. Graph 11 illustrates the mean intensity of regret for each treatment.



Graph 11 The Level of Regret as a Function of Country of Origin of Brand, Country of Manufacture and Level of Consumer Ethnocentrism

Although the ranking of mean of regret were consistent with the hypothesis, the three-way interaction was not significant. Thus, it cannot be concluded that hypothesis 1 was supported.

In term of self-anger, the follow-up univariate ANOVAs did not reveal any significant differences in term of self anger in each treatment. Thus, hypothesis 2 was rejected.

Three-way MANOVA on Brand-directed Emotions

The second three-way MANOVA was conducted to examine the association among country of origin of brand, country of manufacture and level of consumer ethnocentrism toward three dimensions of negative emotions directed towards brand that was made from exploratory factor analysis. As discussed earlier, Box's M statistic was used to determine which multivariate test was used. In this model, Box's M statistic was insignificant (M = 65.851, F (42, 69044.114)

= 1.549, p = .013). Thus, the assumption of homogeneity of covariance is not violated. Hence, Wilks' Lambda test was examined.

As presented in Table 17, the results revealed that the three-way interaction was not significant, the two-way interactions between consumer ethnocentrism and country of brand and the two-way interactions between country of origin of brand and country of manufacture are both significant. In addition, the main effect of country of brand and level of consumer ethnocentrism were also significant. However, in this study, the presentation of the results is limited to the two-way interactions between country of brand and level of consumer ethnocentrism.

**Table 17 Three-way MANOVA on Negative Emotions Toward Brand** 

	Wilks'				Partial Eta	
	Lambda	F	df.	Sig.	Squared	Power
Country of Origin of Brand (COB)	.880	9.189	(3, 202)	.000	.120	.996
Country of Manufacture (COM)	.985	1.006	(3, 202)	.391	.015	.271
Level of Consumer Ethnocentrism (CET)	.936	4.608	(3, 202)	.004	.064	.886
COB*COM	.960	2.839	(3, 202)	.039	.040	.675
COB*CET	.867	10.350	(3, 202)	.000	.133	.999
COM*CET	.980	1.368	(3, 202)	.254	.020	.361
COB*COM*CET	.999	.069	(3, 202)	.977	.001	.062

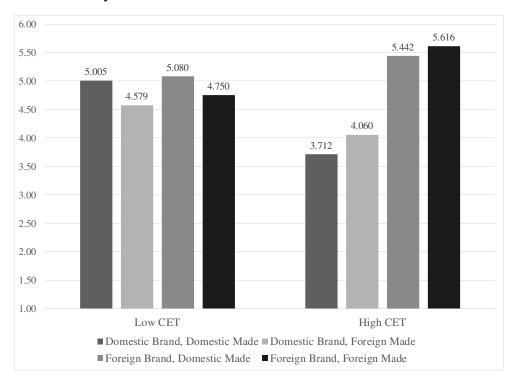
As expected, the level of negative emotions toward brand after product failure varies within level of country of origin of brand and level of consumer ethnocentrism, Wilks' lambda = 0.867, F (3,202 = (10.350), p < 0.001, partial  $\eta^2$  = 0.133 and power = 0.999. Follow up univariate ANOVAs showed that there are no significant mean differences of sadness F (1,204) = 0.781 (p = 0.378). However, the mean of anger; F (1,204) = 9.659 (p = 0.002), partial  $\eta^2$  = 0.045 and power = 0.871 and worry; F (1,204) = 15.418 (p < 0.001), partial  $\eta^2$  = 0.070 and power = 0.974 are both significantly different.

To interpret the two-way interactions, simple main effects were done. For the simple main effect of consumer ethnocentrism, the overall multivariate tests reveal that there is no significance for the linear combination of post consumptions scores for consumers who have a low level of consumer ethnocentrism, regardless country of manufacture, Wilks' lambda = 0.997, F(3,202) = 0.226, p = 0.878, partial  $\eta^2 = 0.003$  and power = 0.092. In contrast, country origin of the brand had a statistically significant effect on the linear combination of post consumption emotions scores for high ethnocentrism consumers, regardless of the country of manufacture, Wilks' lambda = 0.997, F(3,202) = 9.307, p < 0.001, partial  $\eta^2 = 0.223$  and power = 1.000.

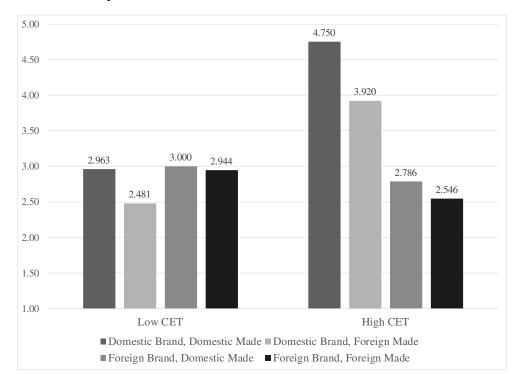
Based on the results discussed above, it is reasonable to conclude that among low ethnocentrism consumers, the negative emotions after product failure does not depend on the country of origin of the product. Therefore, further analysis is done on the high ethnocentrism consumers.

Three follow-up univariate ANOVAs were conducted to examine the simple effect of country of origin of brand on specific emotions. The anger score shows significant differences among high ethnocentrism consumers, regardless the country of manufacture, F (1,204) = 22.572, p < 0.001, partial  $\eta^2 = 0.100$ . Participants who experienced foreign brand product failure show the mean level of anger was more intense (M = 5.529) as compared to domestic brand (M = 3.886), no matter what the country of manufacture is. There are also significant differences in the mean score of worry, F (1,204) = 23.317, p < 0.001, partial  $\eta^2 = 0.103$ . High ethnocentrism consumers show higher level of worry toward brand when experiencing domestic brand failure (M = 4.335), compared to foreign brand failure (M = 2.666). The mean plot of anger and worry toward brand in each treatment are reported in Graph 12 and 13.

Graph 12 The Level of Anger toward Brand as a Function of Country of Origin of Brand, Country of Manufacture and Level of Consumer Ethnocentrism



Graph 13 The Level of Worry toward Brand as a Function of Country of Origin of Brand, Country of Manufacture and Level of Consumer Ethnocentrism



The results are consistent with the results of study 1. Low ethnocentrism consumers feel no different in terms of negative emotions after product failure no matter what the country of origin of the product or brand. Different from high ethnocentrism consumers who feel more anger when the product that fails is foreign brand. In addition, they also feel more worry toward the brand when the product that fails is domestic brand. Based on discussion above, Hypothesis 4, 5 and 6 were supported.

Three-way MANOVA on Country of Manufacture-directed Emotions

The third MANOVA was conducted to examine the association among country of origin of brand, country of manufacture and level of consumer ethnocentrism toward three dimensions of negative emotions directed to the country of the manufacture of product failure. To determine which multivariate test should be used, Box's M statistic was examined. In this model, Box's M statistic was significant (M = 112.296, F (42, 68126.64) = 2.544, p <.001). Thus, the assumption of homogeneity of covariance is violated. Hence, Pillai's Trace (V) would be reviewed instead of the Wilk's Lambda.

Table 18 shows the results of three-way MANOVA of three response variables: country of origin of brand (COB), country of manufacture (COM), and level of consumer ethnocentrism (CET). The results show that the three-way interaction was non-significant. Only one of the three two-way interactions were statistically significant. That was the interaction effect of level of ethnocentrism and country of manufacture. The main effect of country of manufacture and level of consumer ethnocentrism were significant, while the main effect of country of origin of brand was not.

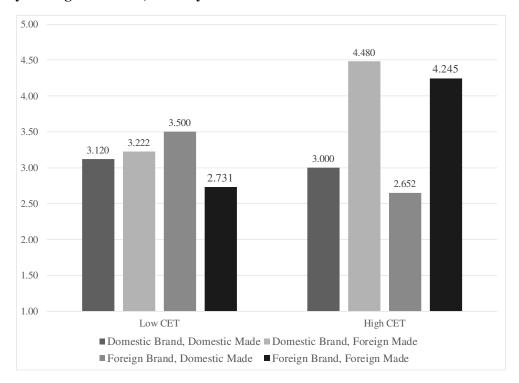
	Pillai's				Partial Eta	
	Trace	F	df.	Sig.	Squared	Power
Country of Origin of Brand (COB)	.019	1.294	(3, 202)	.278	.019	.342
Country of Manufacture (COM)	.104	7.822	(3, 202)	.000	.104	.989
Level of Consumer Ethnocentrism (CET)	.042	2.922	(3, 202)	.035	.042	.689
COB*COM	.015	1.027	(3, 202)	.382	.015	.276
COB*CET	.003	.188	(3, 202)	.905	.003	.085
COM*CET	.151	12.000	(3, 202)	.000	.151	1.000
COD*COM*CET	005	265	(2 202)	770	005	121

Table 18 Three-way MANOVA on Negative Emotions Toward Country of Manufacture

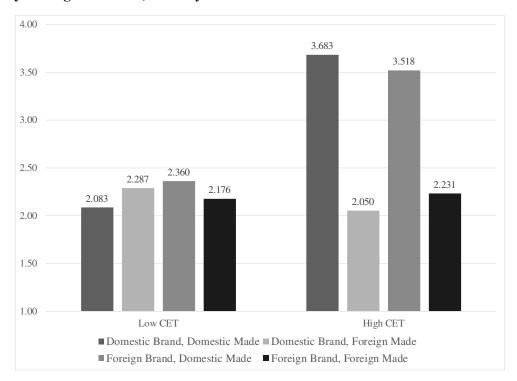
Follow-up analysis was done by examining simple main effects of country of manufacture of product failure on the linear combination of negative emotions at each level of the level of consumer ethnocentrism. The overall multivariate tests reveal that there is no significant difference for the linear combination of post consumptions scores for consumers who have a low level of consumer ethnocentrism, Pillai's Trace = 0.005, F (3,202) = 0.360, p = 0.782 and power = 0.120. In contrast, country of manufacture had a statistically significant effect on the linear combination of post consumption emotions scores for high ethnocentrism consumers Pillai's Trace = 0.224, F (3,202) = 19.455, p < .001 and power = 1.000.

Follow-up univariate ANOVAs show that there were significant differences in two group of emotions between the different countries of manufacture among high ethnocentrism consumers. The differences of mean score of anger between two-groups was found statistically significant, F (1,204) = 16.136 (p < 0.001), partial  $\eta^2$  = 0.073. Mean scores for worry was also found a significantly different, F (1,204) = 19.659 (p < 0.001), partial  $\eta^2$  = 0.088. More specifically, high ethnocentrism consumers rated lower level of anger but higher level of worry toward country of manufacture when the product that fails was a domestically made as compare with foreign made. The means plot of anger and worry are reported in Graph 14 and 15.

Graph 14 The Level of Anger toward Country of Manufacture as a Function of Country of Origin of Brand, Country of Manufacture and Level of Consumer Ethnocentrism



Graph 15 The Level of Worry toward Country of Manufacture as a Function of Country of Origin of Brand, Country of Manufacture and Level of Consumer Ethnocentrism



As in previous study, the results showed that low ethnocentrism consumers feel no differently in terms of negative emotions after product failure no matter what the brand origin of the product. In contrast, high ethnocentrism consumers pay attention to country of manufacture and they feel less anger toward their home country for domestically made product failure. On the other hand, they feel more worry toward their home country when the product that fails was domestically made. Thus, hypothesis 7, 8 and 9 were supported.

Three-way MANOVA on Country of Origin of Brand-directed Emotions

The fourth MANOVA was done to investigate the relationship between country of origin of brand, country of manufacture and level of consumer ethnocentrism toward three dimensions of negative emotions directed to the country of origin of brand of product that fails. To determine which multivariate test should be used, Box's M statistic was examined. In this model, Box's M statistic was significant (M = 134.260, F (42, 68126.64) = 3.042, p <.001). Thus, the assumption of homogeneity of covariance is violated. As a resulted, Pillai's Trace (V) would be reviewed instead of the Wilk's Lambda.

Table 19 shows the results of the three-way MANOVA of three response variables: country of origin of brand (COB), country of manufacture (COM), and level of consumer ethnocentrism (CET). Three-way interaction was found to be non-significant. Only one of the three two-way interactions were statistically significant. It was the interaction between level of ethnocentrism and country of origin of brand. The main effect of country of manufacture was only one that was found non-significant, while both main effects of country of origin of brand and level of consumer ethnocentrism were significant.

.134

	Pillai's				Partial Eta	
	Trace	F	df.	Sig.	Squared	Power
Country of Origin of Brand (COB)	.213	18.246	(3, 202)	.000	.213	1.000
Country of Manufacture (COM)	.008	.515	(3, 202)	.672	.008	.154
Level of Consumer Ethnocentrism (CET)	.061	4.362	(3, 202)	.005	.061	.866
COB*COM	.012	.816	(3, 202)	.486	.012	.225
COB*CET	.195	16.324	(3, 202)	.000	.195	1.000
COM*CET	.025	1.737	(3, 202)	.161	.025	.449

.424

(3, 202)

.736

.006

.006

COB\*COM\*CET

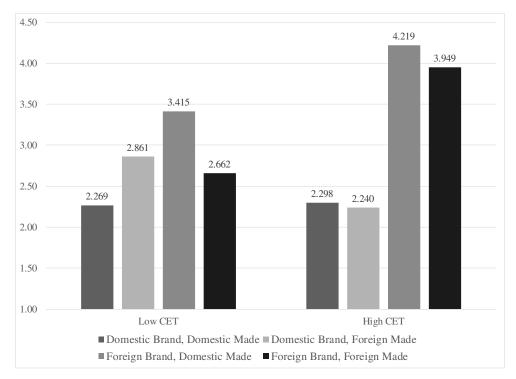
Table 19 Three-way MANOVA on Negative Emotions Toward Country of Origin of Brand

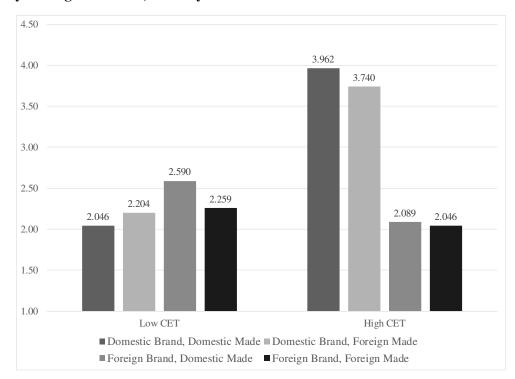
Follow-up analysis was conducted by examining simple main effects of country of origin of brand on the linear combination of negative emotions at each level of the level of consumer ethnocentrism. The overall multivariate tests reveal that there is no significant difference on the linear combination of post consumptions scores for consumers who have a low level of consumer ethnocentrism, Pillai's Trace = 0.011, F (3, 202) = 0.728, p = 0.537 and power = 0.120. In contrast, country origin of brand had a significant effect on the linear combination of post consumption emotions scores for high ethnocentrism consumers Pillai's Trace = 0.334, F (3, 202) = 33.830, p < .001 and power = 1.000.

Follow-up univariate ANOVAs show that there were statistically significant differences among high ethnocentrism consumers in two group of emotions when compared between domestic-brand and foreign-brand failure conditions. First, anger was significant difference for high ethnocentrism consumers, regardless the country of manufacture, F (1,204) = 24.634 (p < 0.001), partial  $\eta^2$  = 0.108. Participants show stronger level of anger toward the country of origin of brand higher in the situation of foreign brand failure (M = 4.084) as compared to domestic brand failure (M = 2.269), no matter what the country of manufacture is. Second, there is also a significant difference in the mean score of worry, F (1,204) = 28.182 (p<0.001), partial  $\eta^2$  =

0.121. High ethnocentrism respondents show higher level of worry toward country of origin of brand when exposed to domestic brand failure (M = 3.851), as compared with foreign brand failure (M = 2.068). The mean plot of anger and worry toward brand are reported in Graph 16 and 17, respectively.

Graph 16 The Level of Anger toward Country of Origin of Brand as a Function of Country of Origin of Brand, Country of Manufacture and Level of Consumer Ethnocentrism





Graph 17 The Level of Worry toward Country of Origin of Brand as a Function of Country of Origin of Brand, Country of Manufacture and Level of Consumer Ethnocentrism

The results of this study are consistent with the results from previous studies. There are no significant differences in term of negative emotions after product failure among low ethnocentrism consumers no matter the country of origin of the brand. In contrast, high ethnocentrism consumers pay attention to the country of origin of brand and feel less anger toward country of origin of brand when the product that fails recognized as domestic brand as compared to foreign brand. Moreover, they also feel more worry toward their home country when the product that fails was domestic brand as compared with foreign brand. Hence, hypotheses 10, 11 and 12 were supported.

Three-way MANOVA on Consumer Complaint Behaviors

To investigate whether there was a significant relationship between independent variables of country of origin and level of consumer ethnocentrism to the dependent variables of complaint

behaviors, a three-way MANOVAs was performed on ten dependent variables (do nothing, switching, third party actions, boycott against brand, boycott against country of manufacture, boycott against country of brand, vindictive complaining, problem-solving complaining, vindictive negative word of mouth, and support seeking negative word of mouth).

To check for the assumptions of MANOVA, independence of observations was tested utilizing the residual plots. Second, multivariate normality was tested by checking the marginal normality for each variable. Third, Mahalanobis Distances was assessed among the participants to ensure that there are no multivariate outliers. Fourth, absence of multicollinearity was checked by conducting correlations among the dependent variables. Among 10 dependent variables in this study, the highest positive correlation is equal to 0.605 (between third party actions and vindictive complaining) and the lowest negative correlation was equal to -0.535 (between do nothing and switching) Therefore, there is no concern for multicollinearity since there were no correlations over the critical value of 0.80. Homogeneity of variance was tested using Box's M.

A three-way MANOVA was conducted to check for interaction effects or main effects. Box's M statistic tested the homogeneity of variance-covariance and was used to determine which multivariate test was to be used. In this model, Box's M statistic was significant (M = 971.36, F (385, 47094.786) = 2.116, p < .001). Hence, Pillai's Trace (V) would be reviewed and discussed instead of the Wilk's Lambda.

As presented in Table 20, a three-way MANOVA (country of origin of brand x country of manufacture x level of consumer ethnocentrism) with the ten complaint behaviors show that the three-way interaction was not statically significant. However, two of two-way interactions were significant. Specifically, the interaction between country of origin of brand and level of consumer ethnocentrism (Pillai's Trace = .0.279, F (10,195) = 7.538, p < .001), and the

interaction between country of manufacture and level of consumer ethnocentrism were significant (Pillai's Trace = .0.300, F (10, 195) = 8.344, p < .001). In addition, all three main effects were significant. The results suggest that there was ample power to detect country of origin difference in total complaint behaviors scores according to the level of consumer ethnocentrism. The eta-squared for the interaction between country of origin of brand and level of consumer ethnocentrism was equal to 0.279, and for the interaction of country of manufacture and level of consumer ethnocentrism was equal to 0.300. Both of them were categorized as a large effect size. This means that 27.9% and 30.0% of the variability in total complaint behaviors scores is respectively related to the variability of interaction between country of origin of brand and level of consumer ethnocentrism, and interaction between country of manufacture and level of consumer ethnocentrism, and interaction between country of manufacture and level of consumer ethnocentrism.

**Table 20 Three-way MANOVA on Consumer Complaint Behaviors** 

	Pillai's				Partial Eta	
	Trace	F	df.	Sig.	Squared	Power
Country of Origin of Brand (COB)	.313	8.901	(10, 195)	.000	.313	1.000
Country of Manufacture (COM)	.340	10.049	(10, 195)	.000	.340	1.000
Level of Consumer Ethnocentrism (CET)	.119	2.636	(10, 195)	.005	.119	.957
COB*COM	.043	.880	(10, 195)	.553	.043	.457
COB*CET	.279	7.538	(10, 195)	.000	.279	1.000
COM*CET	.300	8.344	(10, 195)	.000	.300	1.000
COB*COM*CET	.082	1.730	(10, 195)	.076	.082	.808

Since two of the two-way interactions were significant, further analyses was done by running separate two-way ANOVAs. First, the interaction of country of origin of brand and level of ethnocentrism was examined by running ten univariates 2 (Country of origin of brand:

Domestic/Foreign) x 2 (Level of consumer ethnocentrism: Low/High) between subjects ANOVA

on each dependent variables. Second, the interaction of country of manufacture and level of ethnocentrism was analyzed by running another ten univariates 2 x 2 (Country of manufacture: Domestic/Foreign) x 2 (Level of consumer ethnocentrism: Low/High) between subjects ANOVA on each dependent variables. The results of univariate analysis of each interaction effects are presented in Table 21 and 22 respectively.

Table 21 Two-way Univariate ANOVAs of Consumer Complaint Behaviors (The Interaction of Country of Origin of Brand and Level of Consumer Ethnocentrism)

				Partial Eta	
	df.	F	Sig.	Squared	Power
Do Nothing	(1, 212)	9.230	.003	.043	.856
Switching	(1, 212)	29.063	.000	.125	1.000
Third Party Actions	(1, 212)	12.694	.000	.059	.944
Boycott_Brand	(1, 212)	9.673	.002	.045	.872
Boycott_Country of Brand	(1, 212)	17.488	.000	.079	.986
Boycott_Country of Manufacture	(1, 212)	1.818	.179	.009	.269
Vindictive Complaining	(1, 212)	4.450	.036	.021	.556
Problem Solving Complaining	(1, 212)	5.327	.022	.025	.632
Vindictive Negative Word of Mouth	(1, 212)	19.867	.000	.089	.993
Support seeking Negative Word of Mouth	(1, 212)	1.228	.269	.006	.197

Table 22 Two-way Univariate ANOVAs of Consumer Complaint Behaviors (The Interaction of Country of Manufacture and Level of Consumer Ethnocentrism)

				Partial Eta	
	df.	F	Sig.	Squared	Power
Do Nothing	(1, 212)	4.163	.043	.020	.528
Switching	(1, 212)	.843	.360	.004	.150
Third Party Actions	(1, 212)	3.042	.083	.015	.412
Boycott_Brand	(1, 212)	1.925	.167	.009	.282
Boycott_Country of Brand	(1, 212)	.817	.367	.004	.147
Boycott_Country of Manufacture	(1, 212)	43.162	.000	.175	1.000
Vindictive Complaining	(1, 212)	1.067	.303	.005	.177
Problem Solving Complaining	(1, 212)	1.381	.241	.007	.216
Vindictive Negative Word of Mouth	(1, 212)	.142	.707	.001	.066
Support seeking Negative Word of Mouth	(1, 212)	.001	.981	.000	.050

The results reported in both tables reveal that the interaction effects influenced the complaint behaviors differently. The interaction between level of consumer ethnocentrism and country of origin of brand influenced more types of complaint behaviors as compared with the interaction effect between country of manufacture and level of consumer ethnocentrism. More specifically 8 of 10 complaints behaviors were reported statistically different in the case of country of brand interaction, while only 2 of 10 complaints behaviors were significantly different in the case of country of manufacture interaction. From 10 complaints behaviors, "do nothing" is only one that was significant in both the two-way interactions. On the other hand, "support seeking negative word of mouth" was the only one dependent variable that was not significant in any case of interaction. Switching, third party actions, boycott against brand, boycott against country of brand, vindictive complaining, problem-solving complaining, vindictive negative word of mouth were all significantly different only for country of brand interaction. While, boycott against country of manufacture was significantly different for country of manufacture interaction but not for country of brand interaction.

To better understand the significant interaction effects, a simple main effect test was done. There will be two separate simple main effects analysis. First is the simple main effect of country origin of brand on complaint behaviors. Second is the simple main effect of country of manufacture on complaint behaviors. Both were analyzed separately by each level of consumer ethnocentrism.

First, the simple main effect of country of origin of brand was done. The multivariate test revealed that when the participants was categorized as high ethnocentrism consumers, there was a significant simple main effect on combination score of complaint behaviors (Pillai's Trace = 0.450, F (10, 195) = 15.961, p < .001). The significant level was set at 0.025 to control for type I error. The eta-squared which measure the effect size was equal to 0.450 which categorized as a large effect size. However, for the low consumer ethnocentrism, there is no significant difference on the linear combination of complaint behaviors scores (Pillai's Trace = 0.024, F (10, 195) = 0.474, p = 0.906). Thus, it can be concluded that the complaints behaviors were not influenced by the country of origin of the brand that failed among low ethnocentrism consumers.

Follow up univariate test, which focus on the simple main effect of country of origin of brand among high ethnocentrism consumers on each dependent variable was investigated. The results confirm the significant effect for 8 of 10 dependent variables in the same direction of the main two-way MANOVA.

Specifically, high ethnocentrism consumers reported a significant difference in terms of higher switching behavior, third party actions, boycott of brand and country of brand, vindictive complaining, and vindictive negative word of mouth when the product that fails was considered as foreign brand. On the other hand, they also reported the significant differences in term of

higher problem solving complaining and do nothing when the product that fails was a domestic brand (Table 23).

Table 23 Univariate of Simple Main Effect of Country of Origin of Brand on Consumer Complaint Behaviors among High Ethnocentrism Consumers

Effect	Df, Error Df	F	Sig.	Partial Eta Squared	Courtry of Origin of Brand	Means
Do Nothing	(1,204)	18.711	.000	.084	Domestic	2.995
Do Noulling	(1,204)	10.711	.000	.004	Foreign	1.851
Switching	(1,204)	58.073	.000	.222	Domestic	4.840
Switching					Foreign	6.528
Third Party Actions	(1,204)	24.594	.000	.108	Domestic	2.852
Tillid I arty Actions	(1,204)				Foreign	4.303
Boycott Brand	(1,204)	36.145	.000	.151	Domestic	3.200
Boycon_Brand			.000	.131	Foreign	5.230
Boycott_Country of Brand	(1,204)	44.046	.000	.178	Domestic	1.795
					Foreign	4.129
Boycott Country of Manufacture	(1,204)	2.040	.155	.010	Domestic	3.576
Boycott_Country of Wandracture					Foreign	3.094
Vindictive Complaining	(1,204)	16.639	.000	.075	Domestic	3.437
					Foreign	4.791
Problem Solving Complaining	(1,204)	14.029	.000	.064	Domestic	5.574
					Foreign	4.279
Vindictive Negative Word of Mouth	(1,204)	51.833	.000	.203	Domestic	3.584
					Foreign	5.504
Support Seeking Negative Word of Mouth	(1,204)	2.800	.096	.014	Domestic	5.117
					Foreign	4.627

Second, the simple main effect of country of manufacture was tabulated. Follow-up two-way ANOVAs show that there was a significant simple main effect of country of manufacture on combination score of complaint behaviors among high ethnocentrism consumers (Pillai's Trace = 0.481, F (10, 195) = 18.052, p < .001). The eta-squared which measure the effect size was equal to 0.481 which categorized as a large effect size. However, for the low consumer ethnocentrism, there is no significant difference on the linear combination of complaint behaviors scores (Pillai's Trace = 0.017, F (10, 195) = 0.335, p = 0.971). Thus, it can be

concluded that the complaints behaviors were not influenced by the country of manufacture of the product that failed among low ethnocentrism consumers.

Follow up univariate tests, which focus on the simple main effect of country of manufacture among high ethnocentrism consumers on each dependent variable were investigated. By setting up the significance level at 0.005 (0.005/10) to control the type I error inflation arising from multiple comparison test. The results showed that only 2 of 10 dependent variables were statistically significant.

Table 24 Two-way Univariate of Simple Main Effect of Country of Manufacture on Consumer Complaint Behaviors among High Ethnocentrism Consumers

Effect	Df, Error Df	F	Sig.	Partial Eta Squared	Courtry of Manufacture	Means
Do Nothing	(1,204)	9.539	.002	.045	Domestic	2.831
Do Notining					Foreign	2.014
Cit-lin-	(1,204)	1.044	.308	.005	Domestic	5.571
Switching					Foreign	5.797
Third Party Actions	(1.204)	2.751	.099	.013	Domestic	3.335
Tillid Farty Actions	(1,204)				Foreign	3.820
Boycott_Brand	(1,204)	0.903	.343	.004	Domestic	4.054
Boycon_Braild					Foreign	4.375
Boycott_Country of Brand	(1,204)	0.202	.654	.001	Domestic	2.883
					Foreign	3.041
D "C ' CM C '	(1,204)	81.552	.000	.286	Domestic	1.810
Boycott_Country of Manufacture	(1,204)	81.332	.000	.280	Foreign	4.860
W. F. C. D. L.	(1,204)	1.772	.185	.009	Domestic	3.893
Vindictive Complaining					Foreign	4.335
Problem Solving Complaining	(1,204)	4.443	.036	.021	Domestic	5.291
					Foreign	4.562
Vindictive Negative Word of Mouth	(1,204)	0.629	.429	.003	Domestic	4.439
					Foreign	4.650
Support Seeking Negative Word of Mouth	(1,204)	0.045	.833	.000	Domestic	4.903
					Foreign	4.841

As seen from Table 24, high ethnocentrism consumers reported a significant difference in terms of higher, boycott of country of manufacture when the product that fails was made in foreign countries. On the other hand, they are more likely to do nothing when the product that fails was domestically made.

Based on the results discussion above, it can be concluded that hypotheses 13A, 13B and 14A were partially supported, while hypotheses 14B and 15 were confirmed.

## **CHAPTER 7: CONCLUSIONS AND RECOMMENDATIONS**

This final chapter of this dissertation provides a summary of all findings from both studies. Then followed by a discussion of the research implication. Lastly, limitations of the studies were identify with suggestions for future research.

### **Summary of Findings**

Two research questions were investigated in this dissertation. First, how do consumer ethnocentrism and country of origin influence negative emotions and complaint behaviors when there is a product failure? Second, how each dimension of country of origin influences the negative emotions and complaint behaviors?

Results of two experimental studies, provide support for the proposition that consumer ethnocentrism has influence on negative emotions and complaint behaviors when consumers experience product failures. In general, the consumer ethnocentrism interacts with country of origin of product that fails evoke different sets of emotional and behavioral responses to product failure. By decomposing the country of origin into country of origin of brand and country of manufacture, the consumers are provided with two extrinsic cues to appraise the failure. The experiment also supports the proposition that different dimensions of country of origin may evoke different sets of emotional and behavioral responses.

The finding from study 1 showed that the level of consumer ethnocentrism and the country of origin interact to affect the negative emotions and complaints behaviors. In general, high ethnocentrism consumers used the country of origin of product as an extrinsic cue to appraise the failure. In contrast, there were no significant differences in negative emotions and complaint behaviors among low ethnocentrism consumers regardless of the country of origin of product.

The first three hypotheses in study 1 examine the interaction effects of consumer ethnocentrism and country of origin on negative emotions after product failure. Each set of hypotheses deals with different targets for emotion. These targets are self, brand and country of origin. For self-directed emotions, the results revealed that high ethnocentrism consumers are more likely to have regret and anger at self in the condition of foreign product failure compared to domestic product failure. For the brand-directed emotions, high ethnocentrism consumers showed a high level of anger toward foreign products compare to domestic products. Lastly, for country-directed emotions, high ethnocentrism consumers also reported the higher level of anger when they encounter foreign product failure as compared to domestic product failure. In contrast, there is no significant difference in the level of negative emotions at any targets between foreign and domestic products for low ethnocentrism consumers as expected. This leads to support for hypotheses 1A, 2A, 3A, 1B, 2C and 3C.

It is important and interesting to note that hypothesis 2B and 2C were not supported. These hypotheses are about the emotions of worry and sadness toward brand and country of origin, respectively. Surprisingly, the results revealed that there were no differences in the level of worry and sadness among high ethnocentrism consumers. This could be either because all the hypotheses related to "worry" were wrong or because the manipulation in the scenario did not work well. The story in the scenario may not be able to elicit the emotion of worry and sadness. Therefore, a new scenario was designed to be used in the study 2.

The fourth hypotheses in study 1 investigate the interaction effects of consumer ethnocentrism and country of origin toward complaint behaviors. From nine complaint behaviors studied, seven of them were found to be statically significant among high ethnocentrism consumers. It was found that, when encountered with foreign product failure, high ethnocentrism

consumers are more likely to engage in negative word of mouth, third party actions, boycott against brand, boycott against country of manufacture, desire for revenge and desire for warning as compared to the domestic product failure condition. They also reported higher level of do nothing in the domestic product failure condition when compared with foreign product failure condition. Again, there is no differences in terms of complaint behaviors between domestic and foreign product failure for low ethnocentrism consumers.

Study 2 extends the results from study 1 by broadening the concept of country of origins from single cues facet to a multifaceted construct, which are country of origin of brand and country of manufacture. The main purpose of study 2 is try to answer the question how each dimensions of country of origin influences the negative emotions and complaint behaviors. This was done by examining the effects of consumer ethnocentrism combined with country of origin of brand and country of manufacture on negative emotions and complaint behaviors.

Similar to study1, study 2 tested the co-existence of different emotions directed at different targets. Hypotheses 1 to 3, focused on the three-way interaction of consumer ethnocentrism, country of origin of brand and country of manufacture toward anger and regret toward self. The multivariate analysis revealed that the three-way interaction is not significant. Instead, there are two significant two-way interaction effects. One is the interaction between level of consumer ethnocentrism and country of origin of brand. Second is the interaction between level of consumer ethnocentrism and country of manufacture. Follow up analysis affirms the results from study 1 that the effects of country of origin on negative emotions depend on the level of consumer ethnocentrism. There are no significant differences in term of negative emotions toward self regardless the country of origin of brand and/or country of manufacture of product failure among low ethnocentrism consumers. In contrast, for high ethnocentrism

consumers, there are significant differences in term of regret but not in the case of anger, sadness and worry. Even though the univariate of three-way interaction effects on regret is not confirmed, the ranking of means was consistent with the hypothesis. High ethnocentrism consumers showed highest level of regret when the product failure was recognized as foreign brand that was made in foreign locations. In contrast, the average of regret was found to be lowest when the product that fails was domestic brand that was domestically made.

H4 to H6 investigate three-way interaction effects on brand-directed emotions. The results demonstrate that there was a two-way significant interaction effect of consumer ethnocentrism and country of origin of brand, regardless of the country of manufacture. Further simple main effects analysis showed that country of origin of brand had a statistically significant effect on the linear combination of negative emotions among high ethnocentrism consumers, but not among low ethnocentrism consumers. The follow-up univariate analysis indicated that high ethnocentrism show lower level of anger but higher level of worry toward brand in the situation of domestic brand failure as compare to foreign brand failure, no matter what is the country of manufacture.

H7 to H9 predict the interaction effects among consumer ethnocentrism, country of origin of brand and country of manufacture on negative emotions toward the country of manufacture. The results revealed that three-way interaction was not significant. However, there is a statistically significant two-way interaction between consumer ethnocentrism and country of manufacture. This implies that the effect of country of manufacture on the linear combination of negative emotions vary on the level of consumer ethnocentrism. In other words, there is no significant difference on the intensity of negative emotions after product failure among consumers who have a low level of consumer ethnocentrism. In contrast, there is a significant

difference for negative emotions between domestically made products and foreign made products among high ethnocentrism consumers. The follow up univariate showed that the two-way interaction was marginally significant for both anger and worry toward the country of manufacture, but not significant for sadness emotion. Specifically, high ethnocentrism consumers rated lower level of anger but higher level of worry toward country of manufacture when the product was domestically made compared to foreign made, regardless of the country of origin of brand of that product.

Similarly, H10 to 12 as tested to investigated the relationship of the three-way interaction effects to the negative emotions directed at country of origin of the brand. It was found that the three-way interaction was not significant. However, the two-way interaction effects of consumer ethnocentrism and country of origin of brand was significant. The follow-up simple main effects confirm that there are no significant differences in negative emotions toward country of origin of brand between domestic brand failure and foreign brand failure among low ethnocentrism consumers. Contradictory to high ethnocentrism consumers, country of origin of brand had a significant effect on the linear combination of negative emotion scores. The univariate analysis provide evidence to support the hypotheses that compared to foreign made product failure, high ethnocentrism consumers feel less anger but more worry toward their home country when the product that fails was locally made.

Based on the above results, this study shows that consumers use both dimensions of country of origin to influence the negative emotions in different ways. For high ethnocentrism consumers, country of origin of brand has influences on anger toward brand, worry to brand, anger toward country of origin of brand and worry toward country of origin of brand, while,

country of manufacture has influences on anger and worry toward country of manufacture.

However, both of them has influences on regret toward self.

From another perspective, if we compared the negative emotions between domestic product failure and foreign product failure when the country of manufacture and country of origin is the same, this study provide evidence to affirm the results in study 1. Specifically, high ethnocentrism consumers rated higher level of anger at self, toward the brand, toward the country when the product that fails was foreign product. The additional finding that is different from study 1 is that the respondents show higher level of worry toward the brand and country for domestic product failure.

When the country of origin of brand and country of manufacture are not the same, the results provide evidence to support the proposition that high ethnocentrism will put the blame on others for the failure. Specifically, in the situation of failure of domestic brands made in foreign locations, high ethnocentrism consumers show higher level of anger toward the country of manufacture but lower level of anger toward country of the brand. In contrast, when the product that fails was foreign brand that was domestically made, high ethnocentrism respondents rated high level of anger toward the country of brand but lower level of anger toward country of manufacture. This supported the fact that consumer ethnocentrism plays a major role to induce the post-consumption emotions.

This study also investigated the interaction effects among consumer ethnocentrism, country of origin of brand and country of manufacture on complaint behaviors. Again, the results revealed that three-way interaction was not significant. However, two-way interaction effects between consumer ethnocentrism and each dimension of country of origin were statistically significant. However, it influences the complaint behaviors in different ways. It was found that

country of origin of brand was antecedent to different level of do nothing, switching, third party actions, boycott against brand, boycott against country of brand, vindictive complaining, problem solving complaining and vindictive negative word of mouth among high ethnocentrism consumers. But, the interaction of consumer ethnocentrism and country of manufacture only influences do nothing and boycott against country of manufacture. In both cases of the two-way interactions, the results support the proposition that high ethnocentrism consumers tend to do nothing when the product that fails was recognized as domestic products. In contrast, when the products that fails were recognized as foreign product, high ethnocentrism consumers are more likely to engage in confrontational complaint behaviors such as switching, third party actions, boycotting, vindictive complaining and vindictive negative word of mouth. Again, there is no significant differences in terms of complaint behaviors among low ethnocentrism consumers regardless of the level of foreignness of product failure.

In conclusion, two experimental studies in this dissertation provides evidence to support the proposition that highly ethnocentric consumers tend to lessen the self-related failure but emphasize the failure of out-group members and punish the foreign products more severely than domestic products when the product fails.

#### **Theoretical Implications**

This dissertation makes several contributions to the literature on international marketing and consumer behavior. None of the research works published in the literature combined five major streams of marketing research including consumer ethnocentrism, country of origins, appraisal theory, negative emotions and complaint behaviors together. Therefore, empirical findings in this study contribute to the body of academic knowledge in several areas. List below are some key theoretical implications discussion.

First, previous research studying the role of consumer ethnocentrism and country of origin effect has largely focused on the pre-consumption stage. Specifically, both of two constructs was found as extrinsic cues in which consumers use to form their perception and evaluations of product quality and purchase intent, especially toward foreign products (Kaynak & Kara, 2002; Papadopoulos & Heslop, 1993). However, none of the literature has been studied the role of these two concepts at the post consumption stages. The finding of two studies in this dissertation demonstrated that consumers utilize information about country of origin and their level of consumer ethnocentrism for forming and judging their negative emotions and complaint behaviors after product failure. It was found that the strength of the effects of consumer ethnocentrism on negative emotions and complaint behaviors vary depending on the country of origin of products. These findings shed a fresh light on the role of both consumer ethnocentrism and country of origin effects at the post-consumption stage.

Second, in investigating the interaction effects of consumer ethnocentrism and country of origin, this study applied the concept of hybrid (or bi-national) products to testify the conceptual model. During the past decades, the concept of country of origin was questioned by many academic scholars about how relevant and important this concept is for consumers in the new era of globalization (Pharr, 2005). A direct consequence of the combination of rapid growth in global sourcing and the emergence of new markets has been the stimulus for products to involve two or more countries of origin. Product of one brand name that registered in one country might be designed, manufactured and/or assembled in another country. Using a single-cue approach might not reflect actual market conditions. Thus, instead of adopting a single-cue approach, this study decomposes the country of origin into two dimensions which are country of origin of brand and country of manufacture. The findings reveal that each of dimension of country of origin

influences negative emotions and complaint behaviors differently. In general, country of origin of brand has more power in terms of influencing the post-consumption reactions, eight of ten complaint behaviors were found to influence the interaction of consumer ethnocentrism and country of origin of brand. While the interaction consumer ethnocentrism and country of manufacture has shown to have only two significant relationships with complaint behaviors.

These findings add new knowledge and avenues for future research.

### **Managerial Implications**

This dissertation provides some guidelines to marketing and brand managers of multinational companies in many ways. Discussed below are some of key managerial implications.

International marketing managers should realize that highly ethnocentric consumers will punish foreign product failures more severely than domestic product failures events consumers. This is consistent with this consumer's prior belief that buying a foreign product is a threat to home country's economy. Therefore, when entering countries with high levels of consumer ethnocentrism, multinational companies should be extra careful about their product quality. It may not be a good idea to introduce a product to test the market across border when the quality of the product is questionable. A foreign product failure in highly ethnocentric countries could cause significant damage to the brand, especially when consumers have quality expectation toward the foreign product. Therefore, setting up the easily accessible channel for consumer services like telephone hot-line and/or live chat on company web-site will assist the consumers with any questions and information regarding the product. Such accurate information along with reasonable expectations created by advertising campaigns can help reduce dissatisfactions with product introductions in foreign countries.

Results of this dissertation also show that consumers who have high level of consumer ethnocentrism may be more forgiving of domestic product failure compared to foreign product failure. To benefit from this, international marketers might want to consider making the product appear as "domestic" as possible. This can be done in several ways. Marketing communication is one of the most powerful weapons to create the perceived local product. It can be done through using a brand name in the host country language, or using local celebrities in advertising or as brand ambassadors. Market entry strategies such as joint venture with local firms and letting them dominant the presence can cause products to look more "local" in the eyes of the consumer. These actions are marketing techniques that may change the perceived country of origin of the product.

Regarding the consumer's knowledge of brand origin, recent studies reveal that consumers may not have the ability to identify the origin of the brand correctly (Balabanis & Diamantopoulos, 2008; Samiee, Shimp, & Sharma, 2005). Most consumers link the origin of the brand with linguistic cues from the brand name and its attributes. This may lead local companies to try to associate their brands with global brands to gain benefits from the superior brand image and creditability. This brand strategy may be considered a double-edged sword. The results from this study show that the global image came with high expectations, and can lead to more severe punishments when product quality falls short these expectations. Therefore, local brand managers should carefully consider their brand strategy to position their brand as a local or a global brand. It may be better to position as a local brand for locations with high consumer ethnocentrism. In contrast, local companies may not benefit from local brand linkage if the location has low level of consumer ethnocentrism.

### **Limitations and Directions for Future Research**

Despite several implications for theory and practice, this dissertation has some limitations. This study used experimental methodology which uses scenarios with manipulations and not real life situations. Hence, questions could be raised about the external validity and generalizability of findings in the study. Even though the scenario-based experimental approach can control the experimental conditions and manipulated variables while reducing random noise, the emotions and behaviors reported may not exactly coincide with the real world situation. Participants might not have strong feelings of the actual disappointment to the product failure as the experimental design does not involve actual monetary transactions. To gain better understanding of real emotions of the respondents, future research may use other methodologies. Using videos or having subjects experience actual product failures are possible alternatives.

Participants for the studies in this dissertation were undergraduate students in the United States. Even though such homogeneous respondents from a student sample has advantages in minimizing the potential effects of undetected covariations (Calder, Phillips, & Tybout, 1981), the use of a specific demographic group causes significant limitations to generalizability of the findings. In addition, previous research has shown that consumer ethnocentrism is influenced by age, gender, income and level of education. Therefore, future research can include broader groups of subjects.

The studies in this dissertation manipulated the country of origin of product based on the general concept of domestic versus foreign products. Since the concept of consumer ethnocentrism is about resistance to buying foreign products, an interesting question to be studied is whether or not the results will be different if the name of foreign country was revealed in the experiment. Doing so, can lead to many other factors affecting the findings. For example,

what would change if that specific country was a developed country as opposed to a developing country? What will be happen if that foreign country has a political conflict with the subject's home country? Will consumer animosity play any role? What if that country has a strong positive country of origin effect in a specific product category? (E.g. Japan-high technology products, Italy-fashion products, Germany-automobile) Future studies could investigate these issues.

This dissertation used two different products in different studies which are smartphones and laptops. Both of them are quite similar in terms of their product category. While this improves internal validity, it limits the external validity. Different product categories may also lead to differences in both type and intensity of negative emotions. Generally, high involvement products (such as the ones used in this dissertation) can cause buyers a great deal of post-purchase dissonance compared to low involvement products. Therefore, it could be interesting to expand this study to include low-involvement products as well. By doing so, it will strengthen the results of the study and improve the generalizability of the findings.

This study used fictitious brands in the experimental studies to avoid confounding effects of prior consumer knowledge and attitudes toward the brand. However, it is not that often that there is a product without a known brand name. As a result, a specific brand might influence the relationship of consumer ethnocentrism and negative emotions. Therefore, further research into the role and influence of brand name is needed.

Finally, the main finding of this paper concludes that the effects of consumer ethnocentrism at the post-consumption state do exist. However, the model of this study focuses only at the consumers' negative reactions in the product failure situation. On the other hand, we do not know whether consumer ethnocentrism would moderate the relationship between their

positive emotions and loyalty behaviors. Therefore, a question to study is what will happen to the high ethnocentrism consumers when they experience a foreign product and found the quality to be over their expectations? Will they refer that foreign product to others? Will they become a loyal customer?

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### **APPENDICES**

## Appendix A: Scenarios for study 1

## Scenario A (Domestic Product)

Imagine you are shopping for a new smartphone. After evaluating brands available in the market, you decided to buy "HELLO" brand. The "HELLO" brand has all the features that you want and is within your price range. It has been selling well and is one of market leaders around the world. This brand is manufactured in the United States and is recognized as a domestic product.

Within a month after buying this smartphone, you notice that the battery of your smartphone runs down quickly. After a full charge, it lasts only 2-3 hours while using an application. The first couple days after you brought this product, the battery life used to last 10 hours with same use. Because of short battery life, now you have to carry a charger with you everywhere you go.

You also found that your phone camera is not working properly. Whenever you click on your camera application, a message appears saying, "Warning: Camera Failure", then freezing for several seconds and home screen. Even though you restarted your smartphone couple of times, the camera still does not work.

#### **Scenario B (Foreign Product)**

Imagine you are shopping for a new smartphone. After evaluating brands available in the market, you decided to buy "HELLO" brand. The "HELLO" brand has all the features that you want and is within your price range. It has been selling well and is one of market leaders around the world. This brand is manufactured a foreign country (outside the United States) and recognized as a foreign product.

Within a month after buying this smartphone, you notice that the battery of your smartphone runs down quickly. After a full charge, it lasts only 2-3 hours while using an application. The first couple days after you brought this product, the battery life used to last 10 hours with same use. Because of short battery life, now you have to carry a charger with you everywhere you go.

You also found that your phone camera is not working properly. Whenever you click on your camera application, a message appears saying, "Warning: Camera Failure", then freezing for several seconds and home screen. Even though you restarted your smartphone couple of times, the camera still does not work.

# Appendix B: Questionnaire for study 1

## Product Failure and Role of Consumer Ethnocentrism - Subject pool

Q1 Instructions: You are participating in a study about product failure. All of your responses will be confidential and anonymous. There are no right or wrong answers. We are only interested in your opinions. Please complete the survey to the best of your abilities. Do not skip questions and answer every question in the survey in the order presented. It will take approximately 15 minutes or less. Thank you for participating in this study. The target of this study is limited to American citizen only.

Q2 Before taking a survey. Please answer these 2 questions for qualification.
Q3 Were you born in the United States of America?  O Yes (1) O No (2)
Q4 Are both of your parents "American Citizen"?  O Yes (1) O No (2)
Q5 Section 1, please answer following demographical questions.
Q6 What is your gender?  O Male (1) O Female (2)
Q7 What is your current age? (In Years)
Q8 What is your race?  O White/Caucasian (1)  O African American (2)  O Hispanic (3)  O Asian (4)  O Native American (5)  O Pacific Islander (6)  O Other (7)
Q9 Section 2, please answer about your "Smart Phone" behaviors
Q10 Do you own a Smart Phone?  O Yes (1) O No (2)

- Q11 Approximately, how many hours per day that you spend on your Smart Phone?
- O Less than 1 hour per day (1)
- O Approximately 1-2 hours per day (2)
- O Approximately 3-4 hours per day (3)
- O Approximately 5-6 hours per day (4)
- O Approximately 7-8 hours per day (5)
- O More than 8 hours per day (6)

Q12 How often do you use your smart phone for the following purposes?

	Never (1)	Sometimes (2)	About half the time (3)	Most of the time (4)	Always (5)
Conversation (1)	•	•	•	•	0
Entertainment (2)	•	•	•	•	O
Take a photo (3)	•	•	•	•	O
Social networking (4)	•	•	•	•	O
Searching information (5)	•	•	•	•	O
Purchasing goods or services (6)	•	•	•	•	0
Get educational content or take class (7)	•	•	•	•	•

#### Q13 In your opinion, Smart phone is

	1 (1)	2 (2)	3 (3)	4 (4)	5 (5)	6 (6)	7 (7)
Not at all neccessary: Absolutely neccessary (1)	0	0	0	0	0	0	O
Not at all helpful:Very helpful (2)	•	0	•	O	•	•	O
Isolating from people:Connecting with people (3)	0	•	0	•	•	•	O

### Q14 Section 3: Scenarios

Please carefully read through the following story and try to imagine how you would feel if you were in the situation. You will be asked questions about how you feel and react to the events in the story. Be aware that you cannot return to the reading page after you click next.

(Q15 or Q 16 is only randomly shown for the respondents)

Q15 Imagine you are shopping for a new smartphone. After evaluating brands available in the market, you decided to buy "HELLO" brand. The "HELLO" brand has all the features that you want and is within your price range. It has been selling well and is one of market leaders around the world. This brand is manufactured in the United States and is recognized as a domestic product. Within a month after buying this smartphone, you notice that the battery of your smartphone runs down quickly. After a full charge, it lasts only 2-3 hours while using an application. The first couple days after you brought this product, the

battery life used to last 10 hours with same use. Because of short battery life, now you have to carry a charger with you everywhere you go. You also found that your phone camera is not working properly. Whenever you click on your camera application, a message appears saying, "Warning: Camera Failure", then freezing for several seconds and home screen. Even though you restarted your smartphone couple of times, the camera still does not work.

Q16 Imagine you are shopping for a new smartphone. After evaluating brands available in the market, you decided to buy "HELLO" brand. The "HELLO" brand has all the features that you want and is within your price range. It has been selling well and is one of market leaders around the world. This brand is manufactured in a foreign country (outside the United States) and recognized as a foreign product. Within a month after buying this smartphone, you notice that the battery of your smartphone runs down quickly. After a full charge, it lasts only 2-3 hours while using an application. The first couple days after you brought this product, the battery life used to last 10 hours with same use. Because of short battery life, now you have to carry a charger with you everywhere you go. You also found that your phone camera is not working properly. Whenever you click on your camera application, a message appears saying, "Warning: Camera Failure", then freezing for several seconds and home screen. Even though you restarted your smartphone couple of times, the camera still does not work.

#### Q17 Before proceeding, please answer these 3 questions to make sure that you read the story carefully.

Q1	8 Based on the story you read, "Hello" Brand is a
$\mathbf{O}$	Tablet (1)
$\mathbf{O}$	Notebook (2)
$\mathbf{O}$	Digital camera (3)
$\mathbf{O}$	Smartphone (4)
$\mathbf{O}$	Printer (5)
Q1	9 Based on the story you read, "Hello" Brand is a product made in
O	United States of America (1)
O	Other Countries (2)
$\Omega^2$	0 What happened to the Smortphone in the story? (Check all that apply)
Q <sub>2</sub>	0 What happened to the Smartphone in the story? (Check all that apply) Battery runs down quickly (1)
_	
	Over Heating (2)
Ц	No signal (3)
	Crack Screens (4)
	Low Storage Memory (5)
	Camera Not working (6)
	Phone not charging (7)

Q21 Congratulations! You passed all the screening questions. Now, please indicate your responses to the following questions about "Hello" brand.

Q22 In your opinion, "Hello" Smartphone is

	1 (1)	2 (2)	3 (3)	4 (4)	5 (5)	6 (6)	7 (7)
Inferior quality:Superior quality (1)	0	0	0	0	0	0	O
Unreliable:Reliable (2)	O	<b>O</b>	O	<b>O</b>	O	<b>O</b>	O
Low Dependability:High Dependability (3)	O	O	O	O	O	O	O

**Q23 SECTION 4: EMOTIONS** How intensely were you feeling each of the following emotions at the end of the story? For each statement, please use the following scale: 1= I don't feel this emotion at all and 7= I feel this emotion very much strong.

**Q24 4.1 Emotions toward self** 

	Not at all intensely (1)	Low intensely (2)	Slightly intensity (3)	Somewhat intensely (4)	Moderate intensely (5)	Very intensely (6)	Extremely intensely (7)
Anger (1)	0	0	0	0	•	0	O
Frustration (2)	<b>O</b>	O	0	<b>O</b>	•	O	O
Irritation (3)	O .	O	<b>O</b>	O	O .	O	o
Mad (4)	O .	O .	<b>O</b>	O .	O .	O .	O
Dislike (6)	O .	O	<b>O</b>	O	O .	O	o
Hostility (7)	0	O .	0	O .	0	0	O
Disgust (8)	O .	O .	<b>O</b>	O .	O .	O .	O
Hate (9)	0	O .	0	O .	0	0	O
Sadness (10)	O	O	<b>O</b>	O	O .	O	O
Upset (11)	O	O .	0	O .	O .	O	O
Distress (12)	O	O	<b>O</b>	O	O .	O	O
Sorrow (13)	O	O .	0	O .	O .	O	O
Guilt (14)	O	O .	0	O .	O .	O	O
Regret (15)	O .	O .	<b>O</b>	O .	O .	O .	O
Shame (16)	O .	O .	<b>O</b>	O .	O .	O .	O
Nervous (18)	O	O .	0	O .	O .	O	O
Worry (19)	O .	O .	<b>O</b>	O	O	O .	O
Anxiety (20)	O .	O .	<b>O</b>	O	O	O	O
Insecurity (21)	O	O .	<b>O</b>	<b>O</b>	O	O	o

Q25 4.2 Emotions toward the manufacture company of "Hello" brand.

	Not at all intensely (1)	Low intensely (2)	Slightly intensity (3)	Somewhat intensely (4)	Moderate intensely (5)	Very intensely (6)	Extremely intensely (7)
Anger (1)	0	•	0	0	•	•	0
Frustration (2)	<b>O</b>	•	O	<b>O</b>	•	•	O
Irritation (3)	O	•	O	O	•	<b>O</b>	O
Mad (4)	O	•	0	O	•	<b>O</b>	O
Dislike (6)	O	•	O	O	•	<b>O</b>	O
Hostility (7)	<b>O</b>	•	O	<b>O</b>	•	•	O
Disgust (8)	O	•	0	O	•	0	O
Hate (9)	O	•	O	O	•	<b>O</b>	O
Sadness (10)	O	•	O	O	•	<b>O</b>	O
Upset (11)	O	•	O	O	•	<b>O</b>	O
Distress (12)	O	<b>O</b>	O	O	<b>O</b>	<b>O</b>	O
Sorrow (13)	O	•	O	O	•	<b>O</b>	O
Nervous (18)	O	<b>O</b>	O	O	<b>O</b>	<b>O</b>	O
Worry (19)	O	<b>O</b>	O	O	<b>O</b>	<b>O</b>	O
Anxiety (20)	<b>O</b>	•	•	<b>O</b>	•	•	O
Insecurity (21)	<b>O</b>	0	•	0	0	0	0

Q26 4.3 Emotions toward the country of manufacture of "Hello" brand.

	Not at all intensely (1)	Low intensely (2)	Slightly intensity (3)	Somewhat intensely (4)	Moderate intensely (5)	Very intensely (6)	Extremely intensely (7)
Anger (1)	0	0	0	0	0	0	0
Frustration (2)	O	O	O	O	0	O	O
Irritation (3)	O	O	O	O	O	O	O
Mad (4)	O	O	O	O	O	O	O
Dislike (6)	O	O	O	O	0	O	O
Hostility (7)	O	O	O	O	0	O	O
Disgust (8)	O	O	O	O	0	O	O
Hate (9)	O	O	O	O	0	O	O
Sadness (10)	O	O	O	O	0	O	O
Upset (11)	O	O	O	O	0	O	O
Distress (12)	O	O	O	O	O	O	O
Sorrow (13)	O	O	O	O	O	O	O
Nervous (18)	O	O	O	O	O	O	O
Worry (19)	O	O	O	O	O .	O	O
Anxiety (20)	O	O	O	O	O .	O	O
Insecurity (21)	O	O	O	O	O	O	O

**Q27 Section 5 : Behaviors** According to the situation you read, how likelihood that you will engage in the following behaviors? For each statement, please use the following scale: 1= Extremely unlikely and 7= Extremely likely

Q28 According to the situation you read, what is the likelihood that you will ...

	Extremely unlikely (1)	Moderately unlikely (2)	Slightly unlikely (3)	Neither likely nor unlikely (4)	Slightly likely (5)	Moderately likely (6)	Extremely likely (7)
Forget the incident and do nothing. (1)	•	•	0	•	0	•	0
Learn to live with it. (2)	0	0	<b>O</b>	O	<b>O</b>	O	O
Accept the situation and take no further action. (3)	•	•	0	•	<b>O</b>	•	<b>o</b>
Take Legal action against firm. (4)	•	•	0	•	0	•	O
Report the failure to a consumer or governmental agency. (5)	O	•	•	•	•	•	0
Contact the media to denounce the failure. (6)	•	•	•	•	•	•	•

Q29 According to the situation you read, what is the likelihood that you will

	Extremely unlikely (1)	Moderately unlikely (2)	Slightly unlikely (3)	Neither likely nor unlikely (4)	Slightly likely (5)	Moderately likely (6)	Extremely likely (7)
Switch to purchase alternative brands in the future. (1)	•	•	•	•	O	•	•
Decide to use "Hello" Brand less in the future. (2)	•	•	<b>O</b>	•	•	•	<b>O</b>
Choose to buy "Hello" Brand the next time you need. (3)	•	O	•	•	•	•	•

Intend to start boycott products from the company that manufacture "Hello" brand. (4)	•	0	0	•	•	0	0
Persuade other people to boycott products from the company that manufacture "Hello" brand.	•	•	•	O	•	O	•
Intend to start boycott products from the country that manufacture "Hello" brand. (6)	•	•	•	•	•	•	•
Persuade other people to boycott products from the country that manufacture "Hello" brand.	•	O	•	•	•	0	0

Q30 According to the situation you read, what is the likelihood that you will  $\dots$ 

	Extremely unlikely (1)	Moderately unlikely (2)	Slightly unlikely (3)	Neither likely nor unlikely (4)	Slightly likely (5)	Moderatel y likely (6)	Extremely likely (7)
Complain to the store manager. (1)	O	0	<b>O</b>	<b>O</b>	O	<b>O</b>	•
Contact customer service immediately and ask them to take care of your problems. (2)	•	•	•	O	•	O	O
Try to contact the management in order to be responsible for the failure. (3)	•	•	•	O	O	O	O
Speak to your friends and relatives about your bad experience. (4)	•	•	•	O	O	O	•
Convince your friends and relatives not to choose "Hello" brand. (5)	0	0	•	O	•	0	•
Spread your bad experience through online reviews. (6)	•	•	O	•	•	•	O

Q31 According to the situation you read, what is the likelihood that you will ...

	Extremely unlikely (1)	Moderatel y unlikely (2)	Slightly unlikely (3)	Neither likely nor unlikely (4)	Slightly likely (5)	Moderatel y likely (6)	Extremely likely (7)
Take actions to get the firm in trouble.  (1)	•	O	O	0	0	•	0
Punish the firm in some way. (2)	O	<b>O</b>	<b>O</b>	<b>O</b>	<b>O</b>	O	O
Cause inconvenience to the firm. (3)	•	0	•	•	•	O	<b>O</b>
Get even with the firm. (4)	<b>O</b>	O	•	<b>O</b>	<b>O</b>	O	O
Make the firm get what it deserved. (5)	<b>O</b>	O	<b>O</b>	O	<b>o</b>	<b>O</b>	O
Want to warn others not to use "Hello" Brand. (6)	•	0	•	•	•	O	O
Try to prevent others from making the same mistake that you did. (7)	•	0	•	•	•	•	•

**Q32 Section 6 : (Consumer ethnocentrism)** Please rate your agreement of the following statements. For each statement, please use the following scale: 1= Strongly disagree and 7= Strongly agree

	Strongly disagree (1)	Disagree (2)	Some what disagree (3)	Neither agree nor disagree (4)	Some what agree (5)	Agree (6)	Strongly agree (7)
Buying American goods helps me maintain my American identity. (1)	0	•	0	0	•	0	•
I believe that purchasing American goods should be a moral duty of every American citizen. (2)	•	•	•	•	•	•	0
It always makes me feel good to support our products. (3)	<b>O</b>	<b>O</b>	<b>O</b>	<b>O</b>	<b>O</b>	<b>o</b>	O
A real American should always back American products. (4)	•	•	•	•	•	0	O
American people should always consider American workers when making their purchase decisions. (5)	•	•	•	•	•	O	0
When it comes to American products, I do not need further information to assess their quality; the country of origin is sufficient signal of high quality for me. (6)	•	•	•	•	•	•	•
American goods are better than imported goods. (7)	<b>O</b>	<b>O</b>	O	O	<b>O</b>	<b>o</b>	O
American products are made to high standards and no other country can exceed them. (8)	•	•	•	•	•	•	<b>O</b>
Increased imports result in greater levels of unemployment in this country. (9)	0	•	<b>O</b>	<b>O</b>	<b>O</b>	0	•
Buying foreign products is a threat to the domestic economy. (10)	0	•	0	0	•	0	O

Job losses in this country are the result of increased importation of foreign goods. (11)	•	0	0	•	0	•	0
I would be convinced to buy domestic goods if a campaign was launched in the mass media promoting American goods. (12)	•	0	O	0	•	O	<b>O</b>
If American people are made aware of the impact on the economy of foreign product consumption, they will be more willing to purchase domestic goods. (13)	•	o	O	•	•	•	•
I would stop buying foreign products if the American government launched campaigns to make people aware of the positive impact of domestic goods consumption on the American economy.  (14)	•	O	O	•	•	•	•
I am buying American products out of habit. (15)	O	•	0	0	O	0	<b>O</b>
I prefer buying the American products because I am more familiar with them. (16)	•	O	•	•	•	•	•
I am buying American because I am following the consumption patterns as these were passed to me by my older family members. (17)	•	O	O	O	•	O	•

Now, you are done with the study. Thank you for your answers.

### **Appendix C: Scenarios for study 2**

### **Scenario A (Domestic brand Domestic Manufacture)**

Imagine you are a senior who will be graduating by the end of next semester. However, all your courses have project assignments that needs a computer. So, you are shopping for a new laptop. After evaluating brands available in the market, you decided to buy "CLEVERNESS" brand. The "CLEVERNESS" brand has all the features you want and is within your price range. It has been selling well and is one of market leaders around the world. This brand is a domestic brand that is manufactured in Unites States of America.

Within a month after buying this laptop, you notice that the WIFI card was not reliable and it is difficult to connect to Internet. So, you have to contact the company for a replacement. During that time whenever you have to type a paper or work on your assignment, you would have to go the campus computer lab which was crowded. It took about 2 weeks to get the laptop back.

As the semester progressed you have more homework and longer assignments and you need your laptop even more than before. One day while coding for a survey project due that day, your laptop suddenly shut off without any warning sign. You press the power button to restart but the laptop did not turn on. You plugged the charger in, and the laptop slowly restarted. However, all your work was gone. You cannot submit your assignment by the deadline.

#### **Scenario B (Domestic brand Foreign Manufacture)**

Imagine you are a senior who will be graduating by the end of next semester. However, all your courses have project assignments that needs a computer. So, you are shopping for a new laptop. After evaluating brands available in the market, you decided to buy "CLEVERNESS" brand. The "CLEVERNESS" brand has all the features you want and is within your price range.

It has been selling well and is one of market leaders around the world. This brand is a domestic brand that is manufactured in foreign locations.

Within a month after buying this laptop, you notice that the WIFI card was not reliable and it is difficult to connect to Internet. So, you have to contact the company for a replacement. During that time whenever you have to type a paper or work on your assignment, you would have to go the campus computer lab which was crowded. It took about 2 weeks to get the laptop back.

As the semester progressed you have more homework and longer assignments and you need your laptop even more than before. One day while coding for a survey project due that day, your laptop suddenly shut off without any warning sign. You press the power button to restart but the laptop did not turn on. You plugged the charger in, and the laptop slowly restarted. However, all your work was gone. You cannot submit your assignment by the deadline.

### **Scenario C (Foreign brand Domestic Manufacture)**

Imagine you are a senior who will be graduating by the end of next semester. However, all your courses have project assignments that needs a computer. So, you are shopping for a new laptop. After evaluating brands available in the market, you decided to buy "CLEVERNESS" brand. The "CLEVERNESS" brand has all the features you want and is within your price range. It has been selling well and is one of market leaders around the world. This brand is a foreign brand that is manufactured in Unites States of America.

Within a month after buying this laptop, you notice that the WIFI card was not reliable and it is difficult to connect to Internet. So, you have to contact the company for a replacement. During that time whenever you have to type a paper or work on your assignment, you would have to go the campus computer lab which was crowded. It took about 2 weeks to get the laptop back.

As the semester progressed you have more homework and longer assignments and you need your laptop even more than before. One day while coding for a survey project due that day, your laptop suddenly shut off without any warning sign. You press the power button to restart but the laptop did not turn on. You plugged the charger in, and the laptop slowly restarted. However, all your work was gone. You cannot submit your assignment by the deadline.

### Scenario D (Foreign brand Foreign Manufacture)

Imagine you are a senior who will be graduating by the end of next semester. However, all your courses have project assignments that needs a computer. So, you are shopping for a new laptop. After evaluating brands available in the market, you decided to buy "CLEVERNESS" brand. The "CLEVERNESS" brand has all the features you want and is within your price range. It has been selling well and is one of market leaders around the world. This brand is a foreign brand that is manufactured in foreign locations.

Within a month after buying this laptop, you notice that the WIFI card was not reliable and it is difficult to connect to Internet. So, you have to contact the company for a replacement. During that time whenever you have to type a paper or work on your assignment, you would have to go the campus computer lab which was crowded. It took about 2 weeks to get the laptop back.

As the semester progressed you have more homework and longer assignments and you need your laptop even more than before. One day while coding for a survey project due that day, your laptop suddenly shut off without any warning sign. You press the power button to restart but the laptop did not turn on. You plugged the charger in, and the laptop slowly restarted. However, all your work was gone. You cannot submit your assignment by the deadline.

# Appendix D: Questionnaire for study 2

Q1 In this study, you will be answering two unrelated surveys. All of these questions are about your own personal thoughts and opinions. There are no right or wrong answers. It will take approximately 20 minutes or less. Be assured that all of your responses will be confidential and anonymous. Thank you for participating in this study.

Q2 Section 1: Please rate your level of agreement with each of the following statements

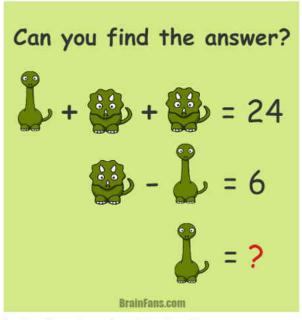
For each statement, please use the following scale: 1= strongly disagree and 7= strongly agree

	Strongly disagree (1)	Disagree (2)	Some what disagree (3)	Neither agree nor disagree (4)	Some what agree (5)	Agree (6)	Strongly agree (7)
Buying American goods helps me maintain my American identity. (1)	0	•	0	0	•	0	•
I believe that purchasing American goods should be a moral duty of every American citizen. (2)	•	•	•	•	•	•	0
It always makes me feel good to support our products. (3)	<b>O</b>	<b>O</b>	<b>O</b>	<b>O</b>	<b>O</b>	<b>o</b>	O
A real American should always back American products. (4)	•	•	•	•	•	0	O
American people should always consider American workers when making their purchase decisions. (5)	•	•	•	•	•	O	0
When it comes to American products, I do not need further information to assess their quality; the country of origin is sufficient signal of high quality for me. (6)	•	•	•	•	•	•	•
American goods are better than imported goods. (7)	<b>O</b>	<b>O</b>	O	O	<b>O</b>	<b>o</b>	O
American products are made to high standards and no other country can exceed them. (8)	•	•	•	•	•	•	<b>O</b>
Increased imports result in greater levels of unemployment in this country. (9)	0	•	<b>O</b>	<b>O</b>	<b>O</b>	0	•
Buying foreign products is a threat to the domestic economy. (10)	0	•	0	0	•	0	O

Job losses in this country are the result of increased importation of foreign goods. (11)	O	O	•	0	0	•	0
I would be convinced to buy domestic goods if a campaign was launched in the mass media promoting American goods. (12)	O	•	•	•	•	•	•
If American people are made aware of the impact on the economy of foreign product consumption, they will be more willing to purchase domestic goods. (13)	•	O	<b>O</b>	O	0	•	•
I would stop buying foreign products if the American government launched campaigns to make people aware of the positive impact of domestic goods consumption on the American economy.  (14)	O	O	•	O	•	0	•
I am buying American products out of habit. (15)	O	<b>O</b>	<b>O</b>	<b>O</b>	O	O	<b>O</b>
I prefer buying the American products because I am more familiar with them. (16)	O	<b>O</b>	<b>O</b>	0	•	•	•
I am buying American because I am following the consumption patterns as these were passed to me by my older family members. (17)	•	O	0	O	•	0	•

# Q3 Section 2: Try to answer the following math puzzles

# Q4 Q5 Q6 Random Math Puzzle: For example:



From the equations, brontosaurus (long neck dinosaur) is equal to ...

- ⊕ 2 @ 4
- ⊕ 6
- 0 8 **10**

Q7 You are starting the second survey. This survey is about product failure and negative emotions. You will be reading an incident of product failure. Read through the story considering yourself as the person in the story. You will be asked questions about how you feel about and likelihood of reacting to the. Be aware that you cannot return to any page after you click next. (Q8-15 is randomly presented)

Q8 Imagine you are a senior who will be graduating by the end of next semester. However, all your courses have project assignments that needs a computer. So, you are shopping for a new laptop. After evaluating brands available in the market, you decided to buy "CLEVERNESS" brand. The "CLEVERNESS" brand has all the features you want and is within your price range. It has been selling well and is one of market leaders around the world. This brand is a domestic brand that is manufactured in Unites States of America. Within a month after buying this laptop, you notice that the WIFI card was not reliable and it is difficult to connect to Internet. So, you have to contact the company for a replacement. During that time whenever you have to type a paper or work on your assignment, you would have to go the campus computer lab which was crowded. It took about 2 weeks to get the laptop back. As the semester progressed you have more homework and longer assignments and you need your laptop even more than before. One day while coding for a survey project due that day, your laptop suddenly shut off without any warning sign. You press the power button to restart but the laptop did not turn on. You plugged the charger in, and the laptop slowly restarted. However, all your work was gone. You cannot submit your assignment by the deadline.





Please remember that "CLEVERNESS" is a domestic brand that is manufactured in United States of America.

Q10 Imagine you are a senior who will be graduating by the end of next semester. However, all your courses have project assignments that needs a computer. So, you are shopping for a new laptop. After evaluating brands available in the market, you decided to buy "CLEVERNESS" brand. The "CLEVERNESS" brand has all the features you want and is within your price range. It has been selling well and is one of market leaders around the world. This brand is a domestic brand that is manufactured in foreign locations. Within a month after buying this laptop, you notice that the WIFI card was not reliable and it is difficult to connect to Internet. So, you have to contact the company for a replacement. During that time whenever you have to type a paper or work on your assignment, you would have to go the campus computer lab which was crowded. It took about 2 weeks to get the laptop back. As the semester progressed you have more homework and longer assignments and you need your laptop even more than before. One day while coding for a survey project due that day, your laptop suddenly shut off without any warning sign. You press the

power button to restart but the laptop did not turn on. You plugged the charger in, and the laptop slowly restarted. However, all your work was gone. You cannot submit your assignment by the deadline.

Q11



Please remember that "CLEVERNESS" is a domestic brand that is manufactured in foreign locations.

Q12 Imagine you are a senior who will be graduating by the end of next semester. However, all your courses have project assignments that needs a computer. So, you are shopping for a new laptop. After evaluating brands available in the market, you decided to buy "CLEVERNESS" brand. The "CLEVERNESS" brand has all the features you want and is within your price range. It has been selling well and is one of market leaders around the world. This brand is a foreign brand that is manufactured in Unites States of America. Within a month after buying this laptop, you notice that the WIFI card was not reliable and it is difficult to connect to Internet. So, you have to contact the company for a replacement. During that time whenever you have to type a paper or work on your assignment, you would have to go the campus computer lab which was crowded. It took about 2 weeks to get the laptop back. As the semester progressed you have more homework and longer assignments and you need your laptop even more than before. One day while coding for a survey project due that day, your laptop suddenly shut off without any warning sign. You press the power button to restart but the laptop did not turn on. You plugged the charger in, and the laptop slowly restarted. However, all your work was gone. You cannot submit your assignment by the deadline.

Q13



Please remember that "CLEVERNESS" is a foreign brand but manufactured in United States of America

Q14 Imagine you are a senior who will be graduating by the end of next semester. However, all your courses have project assignments that needs a computer. So, you are shopping for a new laptop. After evaluating brands available in the market, you decided to buy "CLEVERNESS" brand. The

"CLEVERNESS" brand has all the features you want and is within your price range. It has been selling well and is one of market leaders around the world. This brand is a foreign brand that is manufactured in foreign locations. Within a month after buying this laptop, you notice that the WIFI card was not reliable and it is difficult to connect to Internet. So, you have to contact the company for a replacement. During that time whenever you have to type a paper or work on your assignment, you would have to go the campus computer lab which was crowded. It took about 2 weeks to get the laptop back. As the semester progressed you have more homework and longer assignments and you need your laptop even more than before. One day while coding for a survey project due that day, your laptop suddenly shut off without any warning sign. You press the power button to restart but the laptop did not turn on. You plugged the charger in, and the laptop slowly restarted. However, all your work was gone. You cannot submit your assignment by the deadline.

Q15



Please remember that "CLEVERNESS" is a foreign brand that is manufactured in foreign locations

Q16 Please answer these 4 questions to make sure that you read the story carefully.

Q17 Based on the story you read, the product that you bought is
O Tablet
O Laptop
O Digital camera
O Smartphone
O Printer
Q18 Based on the story you read, "CLEVERNESS" brand is recognized as
O Domestic Brand
O Foreign Brand

- Q19 Based on the story you read, the country of manufacture of the product is ...
- O United States of America
- Other Countries

Q20 What happened to □ Battery runs down □ Over Heating □ Difficult to conne □ Crack Screens □ Low Storage Mer □ Suddenly shut off □ Battery is not char	n quickly ect to interne mory f rging	et						
Q21 Now, please indi	cate your re	sponses to t	the following	g questions a	bout "CLE	VERNESS"	laptop.	
Q22 In your opinion,			_	1	, and the second			
Inferior quality:	1	2	3	4	5	6	7	
Superior quality	O	•	O .	O	O	•	•	
Unreliable:Reliable	0	•	O	O	<b>O</b>	<b>O</b>	O	
Low Dependability:High Dependability	O	O	0	•	•	0	•	
Q23 Based on the stor	ry you read,					1		
	1	2	3	4	5	6	7	
Mild:Severe	0	0	O	O	O	O .	0	
Minor:Major	9	0	0	0	0	0	9	
Insignificant:Significa	nt O	O	O	O	O	O	O	-
Q24 On a scale from O 0 0 1 O 2 O 3 O 4 O 5 O 6 O 7 O 8 O 9 O 10		lo you rate	the severity	of product fa	ilure?			
Q25 SECTION 4: EN	MOTIONS							

Base on the story your read, "how intensely were you feeling each of the following emotions at the end of the story"?

For each statement, please use the following scale: 1= I don't feel this emotion at all and 7= I feel this emotion very strongly.

Q26 4.1) In each emotion below, think about emotions toward "self" For example, "How intensely were you angry toward yourself?

	Not at all intensely (1)	Low intensely (2)	Slightly intensity (3)	Somewhat intensely (4)	Moderate intensely (5)	Very intensely (6)	Extremely intensely (7)
Anger (1)	0	0	0	0	0	0	0
Frustration (2)	O	0	0	0	0	0	0
Irritation (3)	0	0	0	0	0	0	0
Mad (4)	0	0	0	0	0	0	O
Dislike (6)	0	0	0	0	0	0	0
Hostility (7)	0	0	0	0	0	0	0
Disgust (8)	0	0	0	0	0	0	0
Hate (9)	0	0	0	0	0	0	0
Sadness (10)	O	0	0	0	0	0	0
Upset (11)	O	0	0	0	0	0	0
Distress (12)	0	0	0	0	0	0	0
Sorrow (13)	O	0	0	0	0	0	0
Nervous (18)	0	0	0	0	0	0	0
Worry (19)	0	0	0	O	0	0	0
Anxiety (20)	0	0	0	0	0	0	0
Insecurity (21)	0	0	O	0	O	0	0

Q27 4.2) In each emotion below, think about emotions toward "brand" For example, "How intensely were you angry toward brand?

	Not at all intensely (1)	Low intensely (2)	Slightly intensity (3)	Somewhat intensely (4)	Moderate intensely (5)	Very intensely (6)	Extremely intensely (7)
Anger (1)	0	0	0	0	0	0	0
Frustration (2)	O	0	0	0	O	O	0
Irritation (3)	0	0	0	O	O	O	0
Mad (4)	0	0	0	0	O	O	0
Dislike (6)	0	0	0	0	O	0	0
Hostility (7)	0	0	0	0	0	O	0
Disgust (8)	0	0	0	0	O	0	O
Hate (9)	0	0	0	O	O	O	O
Sadness (10)	0	0	0	0	O	0	0
Upset (11)	O	0	0	0	0	0	O
Distress (12)	0	0	0	0	0	0	0
Sorrow (13)	0	0	0	0	O	0	0
Nervous (18)	O	O	0	0	O	0	O
Worry (19)	0	0	0	0	O	0	0
Anxiety (20)	O	O	0	0	0	0	0
Insecurity (21)	0	0	0	0	0	0	0

Q28 4.3) In each emotion below, think about emotions toward "country of manufacture of the product" For example, "How intensely were you angry toward country of manufacture of the product?

	Not at all intensely (1)	Low intensely (2)	Slightly intensity (3)	Somewhat intensely (4)	Moderate intensely (5)	Very intensely (6)	Extremely intensely (7)
Anger (1)	O	0	0	0	0	0	0
Frustration (2)	O	0	0	0	0	0	0
Irritation (3)	O	0	0	0	0	0	0
Mad (4)	0	0	0	0	0	0	0
Dislike (6)	0	0	0	0	0	O	0
Hostility (7)	O	0	0	0	0	0	0
Disgust (8)	O	0	0	0	0	O	0
Hate (9)	0	0	0	0	0	0	0
Sadness (10)	O	0	0	0	0	0	O
Upset (11)	O	0	O	0	0	0	0
Distress (12)	O	0	0	0	0	0	0
Sorrow (13)	O	0	0	0	0	0	0
Nervous (18)	O	0	0	0	0	0	0
Worry (19)	O	0	0	0	0	0	0
Anxiety (20)	O	0	0	0	0	0	0
Insecurity (21)	O	0	0	0	0	0	0

Q29 4.4) In each emotion below, think about emotions toward "country origin of the brand" For example, "How intensely were you angry toward country of origin of the brand?

	Not at all intensely (1)	Low intensely (2)	Slightly intensity (3)	Somewhat intensely (4)	Moderate intensely (5)	Very intensely (6)	Extremely intensely (7)
Anger (1)	0	0	0	0	0	0	0
Frustration (2)	0	0	0	0	0	0	0
Irritation (3)	0	0	0	0	0	0	0
Mad (4)	0	0	0	0	0	0	0
Dislike (6)	0	0	0	0	0	0	0
Hostility (7)	0	0	0	0	0	0	0
Disgust (8)	0	0	0	0	0	0	0
Hate (9)	0	0	0	0	0	0	0
Sadness (10)	O	0	0	0	0	0	0
Upset (11)	O	0	0	0	0	0	0
Distress (12)	0	0	0	0	0	0	0
Sorrow (13)	0	0	0	0	0	0	0
Nervous (18)	0	0	0	0	0	0	0
Worry (19)	O	0	0	0	0	0	0
Anxiety (20)	0	0	0	0	0	0	0
Insecurity (21)	0	0	0	0	0	0	O

### Q30 Section 5: Behaviors

Based on the situation you read, how likely will you engage in the following behaviors? For each statement, please use the following scale:1= Extremely unlikely and 7= Extremely likely

Q31 According to the situation you read, what is the likelihood that you will ...

	Extremely unlikely	Moderately unlikely	Slightly unlikely	Neither likely nor unlikely	Slightly likely	Moderately likely	Extremely likely
Forget the incident and do nothing.	0	0	0	0	0	0	0
Learn to live with it.	O	•	•	O .	<b>O</b>	•	o
Accept the situation and take no further action.	•	•	•	0	•	•	<b>O</b>

Q32 According to the situation you read, what is the likelihood that you will ...

	Extremely unlikely	Moderately unlikely	Slightly unlikely	Neither likely nor unlikely	Slightly likely	Moderately likely	Extremely likely
Switch to purchase alternative brands in the future.	•	•	0	•	O	•	O
Decide to use "CLEVERNESS" brand less in the future.	•	•	•	•	0	•	O
Choose to buy "CLEVERNESS" brand the next time you need.	•	•	0	•	O	•	•

Q33 According to the situation you read, what is the likelihood that you will ...

	Extremely unlikely	Moderately unlikely	Slightly unlikely	Neither likely nor unlikely	Slightly likely	Moderately likely	Extremely likely
Take Legal action against firm.	•	0	0	O	O	•	O
Report the failure to a consumer or governmental agency.	0	•	O	O	O	•	O
Contact the media to denounce the failure.	•	•	•	•	•	•	•

Q34 According to the situation you read, what is the likelihood that you will  $\dots$ 

Qo i riccording to	Extremely unlikely	Moderately unlikely	Slightly unlikely	Neither likely nor unlikely	Slightly likely	Moderately likely	Extremely likely
Intend to start boycotting products from the company that manufacture "CLEVERNESS" brand.	0	•	•	•	<b>o</b>	•	•
Persuade other people to boycott products from the company that manufacture "CLEVERNESS" brand.	O	0	0	0	0	0	0
Intend to start boycotting products from the country that manufacture "CLEVERNESS" brand.	<b>o</b>	<b>o</b>	<b>o</b>	•	<b>o</b>	•	•
Persuade other people to boycott products from the country that manufacture "CLEVERNESS" brand.	O	0	0	0	0	0	0
Intend to start boycotting products from the country of origin of "CLEVERNESS" brand	<b>o</b>	<b>O</b>	<b>o</b>	<b>o</b>	<b>o</b>	<b>O</b>	<b>O</b>
Persuade other people to boycott products from the country of origin of "CLEVERNESS" brand.	0	•	<b>o</b>	0	<b>O</b>	•	•

Q35 According to the situation you read, what is the likelihood that you will  $\dots$ 

Que riccording to the s	Extremely unlikely	Moderatel y unlikely	Slightly unlikely	Neither likely nor unlikely	Slightly likely	Moderately likely	Extremely likely
Complain directly to the company in order to give the representative a hard time.	0	0	•	0	0	0	O
Complain directly to the company to be unpleasant with the representative of the company.	0	•	•	0	O	0	O
Complain directly to the company in order to make someone from the organization to pay for the failure.	0	•	•	•	O	0	O
Complain directly to the company in order to discuss the problem constructively.	•	•	•	•	•	•	<b>O</b>
Complain directly to the company in order to find an acceptable solution for both parties.	•	•	•	•	•	•	O
Complain directly to the company in order to work with someone from the organization to solve the problem.	•	•	•	•	•	•	0

Q36 According to the situation you read, what is the likelihood that you will  $\dots$ 

	Extremely unlikely	Moderately unlikely	Slightly unlikely	Neither likely nor unlikely	Slightly likely	Moderately likely	Extremely likely
Talk to other people in order to spread negative word of mouth.	0	0	•	•	0	0	0
Talk to other people in order to denigrate the product to others.	•	•	•	•	•	0	0
Talk to other people in order to warn others.	•	•	•	•	•	•	0
Talk to other people in order to get some comfort.	•	•	0	0	0	•	0
Talk to other people in order to reduce negative feelings.	•	•	•	•	•	•	O
Talk to other people in order to share feelings with others	•	•	•	•	•	•	O
Talk to other people in order to feel better.	0	0	0	<b>O</b>	0	•	C

Q37 Section 6, please answer following demographic questions.				
Q38 What is your gender?  O Male O Female				
Q39 What is your current age? (In Years)				
Q40 Were you born in the United States of America?  O Yes O No				
<ul> <li>Q41 Were your parents born in the United States of America?</li> <li>Yes, both of them born in USA.</li> <li>Only my father born in USA.</li> <li>Only my mother born in USA.</li> <li>No, both of them born in foreign countries.</li> </ul>				
Q42 What is your race?  O White/Caucasian  O African American  O Hispanic  O Asian  O Native American  O Pacific Islander  O Other				
Q43 Section 7, please answer the following questions about your laptop				
Q44 Do you own a laptop?  O Yes O No				
<ul> <li>Q45 Approximately, how many hours per day that you spend on your laptop?</li> <li>Q Less than 1 hour per day</li> <li>Q Approximately 1-2 hours per day</li> <li>Q Approximately 3-4 hours per day</li> <li>Q Approximately 5-6 hours per day</li> <li>Q Approximately 7-8 hours per day</li> <li>Q More than 8 hours per day</li> </ul>				

Now, you are done with the study. Thank you for your answers.

### **VITA**

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#### **EDUCATION**

- 2017 Ph.D., Business Administration (Marketing), Old Dominion University, Norfolk, VA.
- 2001 M.B.A. (English Program), National Institute of Development Administration, Bangkok, Thailand.
- 1996 B.B.A, Marketing, Chulalongkorn University, Bangkok, Thailand.

#### **ACADEMIC EXPERIENCE**

2009-2011 University Thai Chamber of Commerce, Bangkok Thailand Instructor, Department of Marketing

#### INDUSTRY EXPERIENCE

2005-2009	Entrepreneur, Millions and More Co., Ltd. Bangkok, Thailand.
2004-2005	Marketing Manager Prize of wood Co., Ltd. Bangkok, Thailand.
2001-2004	Marketing and Sales Manager (Up-country) Kornthai Co., Ltd. Bangkok, Thailand.

#### **ACTIVITIES**

Guest Speaker for Institute of Continuing Education and Social Service, Thammasat University, under the topic of "Techniques on writing a Business Analysis Report"

Lecturer for Aero Thai Co., Ltd. on the issue of "How to develop the working process"