

# The Effect of Costumer Ethnocentrism on Tourists' Purchase Decision

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**Abstract**—The purpose of this Study was to investigate the effect of costumer ethnocentrism on purchase decision of a specific type of food. The concept of costumer ethnocentrism itself has been a phenomenon in developing countries as well as in Indonesia. It is necessary to conduct a study to find out the tendency of tourist in choosing what they eat when they travel. As one of the most famous ethnic food in Indonesia, Padang food, becomes the main reason why this study was conducted. It originally comes from West Sumatra. Therefore, this study examined the influence of west java tourist ethnocentrism in purchasing Padang food while they were outside their province, specifically who came to Jakarta Capital Special Region. The method used was an explanatory survey. This study took 200 respondents as the sample, and all of them were West Java tourists who visited Jakarta Capital Special Region. The Data were analyzed by using multiple regressions analysis. The result indicated that simultaneously, all the three dimensions in customer ethnocentrism influence tourists' purchase decision.

**Keywords**—customer ethnocentrism; purchase decision

## I. INTRODUCTION

Customer purchase decisions is a complicated process. The desire to buy can vary depending on the price or the quality obtained and the value of a product [1]. According to [2] A purchase decision is a result of many factors associated with individual covering association against culture, subculture, social classes, group membership, family, personality, psychology, age, income, and others. [3] identifies the purchase decision consists of six elements, i.e. product choice, brand choice dealer choice, purchase, timing, purchase amount, and payment method.

The purchase behavior is the customer's key to evaluate a specific product [1]. According to [4] purchase behavior is influenced by external factors and internal factors. External factors influencing the decision-making process directly but can change according to the determinant of an individual customer.

One of the external factors that affect the purchase decisions of customers is the quality of the product. The quality has two dimensions, namely the objective and subjective.

Based on Grunert in [4], objective quality refers to the physical characteristics that are made on a product, while subjective quality is customers' perception of product quality. Customers will not see other attributes if these products have good quality, so the quality of the product has more influence in deciding the purchase compared to other attributes [4].

Hall, as cited by [5] stated that in food tourism there is a different type of customers; customers who think food as part of travel, and customers who seek destinations according to the tastes of the food in the destinations. Torres in [5] argued that when some travelers go to a place, they prefer to buy the same food as in their homes. They feel like family with the local people and the local environment, as well as feeling familiar with the taste of the food has been a primary motivation to come to a destination [5]

Purchase decisions are also made up of internal factors in customers such as feelings, thoughts, experiences endured by customers before making a purchase. Shimp and Sharma in [6] stated that one of the internal factors that influence customer purchase behavior is ethnocentrism. The level of customer ethnocentrism in Indonesia is relatively high, especially when compared to the level of customer ethnocentrism from other countries such as Korea, Poland, New Zealand, as well as some other countries [7].

[8] stated that high ethnocentric customers tend to buy products which come from the region of the customer home. Ethnocentrism is the preference of the local population towards the purchase of products that originate from its territory of its own. It indicated that customers will willingly purchase products originated from their regions even though there are a lot of other options. According to [9], customer ethnocentrism is customer preferences towards products on his group compared to people from outside the group.

[10] define customer ethnocentrism as customer confidence regarding the propriety or morality in purchasing foreign-made products. [11] explained that customer ethnocentrism is a result of a form of patriotic and concerns against losing control in the economic benefits associated with the negative influence from imports.

Until now, studies on customer ethnocentrism are developing year by year. The concept of customer ethnocentrism has been validated in various different contexts such as service marketing, automobile, brand, and food consumption [12]. In a study conducted by [13], trend of customer ethnocentrism in Indonesia has an important role, especially in hotels for foreign brands in Indonesia. Then, in their study, [14] revealed that it was necessary to examine customer ethnocentrism among import car or can be classified as a foreign brand, and cars manufactured locally or can be classified as local brands. On food tourism, Schnettler et al. as cited by [12] stated that customer ethnocentrism has an influence to the food consumption, so did [15] also found that customer ethnocentrism affects purchase behavior on food products.

The dimensions of Customer ethnocentrism are cognitive, affective, and normative [16]. 1) Cognitive, is a knowledge of the individual against the influence that occurs on foreign competition [17], 2) Affective, Acharya Elliot in [18] suggested that ethnocentrism refers to a group which had positive feelings toward their own group and negative feelings on other groups, 3) Normative, in the concept of customer ethnocentrism, is a great thing to do for the customer with regards to the practice of their consumption, that they should strive to prevent the negative influence from foreign competition [17].

According to The Travel and Tourism Competitiveness Index reported by the World Economic Forum (WEF) 2014, Indonesia stands out in the category culture, historical heritage, wealth and natural beauty. This study was conducted in Jakarta, because as a center of business in Indonesia, Jakarta becomes a melting point from many different cultural backgrounds giving rise to the existence of acculturation. Cultural diversity in Jakarta affects to the existence of the food and beverage industry. One of the famous types of food in Jakarta is food from West Sumatra, or usually called Padang food.

Padang food is well known in international and in 2011 until 2017, cnn.com gave a rating for one type of Padang food, which is Rendang, as "the world most delicious food" beating other famous food like sushi, hamburger, and pizza. Hence, this study was conducted to find out whether the tourists who came from West Sumatra had preferences of customer ethnocentrism in consuming their famous food or not. In addition, this research aimed to find out the influence of customer ethnocentrism towards the decision to purchase Padang food, for tourists visiting Jakarta, who came from West Sumatra.

**II. METHOD**

This study examines the effect of customer ethnocentrism on the decision of tourists from West Sumatra to purchase Padang food in Jakarta. The study was conducted in less than one year, the method used was cross-sectional. According to [19], a cross-sectional study is a study in which data is collected only once, maybe for several days or weeks or months, to answer research questions. The research method

that will be used is quantitative research methods and explanatory survey methods.

Data were collected by interview and questionnaire. In determining the number of respondents, this study used quota sampling techniques. [19] explain that quota sampling is a sampling technique where the subject has been chosen based on a predetermined population group. Samples were determined from a population that have certain characteristics to the desired number (quota). The population in this study were tourists from West Sumatra Province who visited DKI Jakarta, the population number was unknown, therefore the number of samples determined based on the quota sampling technique was 200 respondents.

Questionnaire items referred to the dimensions of experts. For the customer ethnocentrism dimensions, this study used the dimensions from [16], namely cognitive, affective, and normative, while the dimensions of purchase decisions were from [3], namely product choice, brand choice, dealer choice, purchase timing, purchase amount, and payment method. Questionnaires were then tested their validity and reliability, which after being proven valid and reliable, they were then distributed to respondents.

After the data were collected, several analyses are carried out. First, descriptive analysis, in this analysis, descriptive statistics were conducted to determine scores, average scores and percentages to be interpreted later in the discussion. Second, verification analysis, the process carried out in this analysis consists of; 1) data coding, 2) multiple linear regression analysis, and 3) significance test.

**III. ANALYSIS AND DISCUSSION**

The Recapitulation of the results of customer response towards their customer ethnocentrism can be observable in table I.

TABLE I. THE RESULT OF DESCRIPTIVE STATISTIC CALCULATION OF CUSTOMER ETHNOCENTRISM VARIABLE

| No           | Dimensions       | Score       | Average Score | %          |
|--------------|------------------|-------------|---------------|------------|
| 1            | <i>Cognitive</i> | 2336        | 778,6         | 33,18      |
| 2            | <i>Affective</i> | 3155        | 788,7         | 33,61      |
| 3            | <i>Normative</i> | 3116        | 779           | 33,19      |
| <b>Total</b> |                  | <b>8607</b> |               | <b>100</b> |

Based on table I, the highest average score from tourists' responses was the affective dimension. Therefore, in the questionnaire related to affective, the highest score from the tourists' responses was the question of the affective level of suitability in the taste of Padang food with the food consumed daily. This was because Padang food served at restaurants in Jakarta uses the same ingredients composition with Padang food restaurants in West Sumatra. Tourists who came from West Sumatera certainly can determine the food that fits the taste of their daily food. Since the taste was similar, they can enjoy the food. It is relevant because the customers who are ethnocentric came under the influence of the emotional feeling towards their origins [17].

**TABLE II. THE RESULTS OF MULTIPLE REGRESSION ANALYSIS**

| <b>Customer Ethnocentrism</b> | <b>t-value</b> | <b>Standardized Coefficients Beta</b> |
|-------------------------------|----------------|---------------------------------------|
| Cognitive                     | 0.687          | 0.160                                 |
| Affective                     | 2.178          | 0.431                                 |
| Normative                     | 2.697          | 0.504                                 |
| F                             |                | 10.168                                |
| R <sup>2</sup>                |                | 0.135                                 |
| Adjusted R <sup>2</sup>       |                | 0.121                                 |

Based on the results of the multiple regression analysis calculation, it can be noticed that the regression equation was:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3$$

$$Y = 37,926 + 0,160X_1 + 0,431X_2 + 0,504X_3$$

From the regression equation, the biggest influence of customer ethnocentrism on purchasing decisions comes from normative and affective dimensions. Hence, in this study, the most important role in improving purchase decision is the perception that by consuming food from the region, it will reduce the negative influence of the outside competition in the region. In addition, in its influence on the purchase decision, positive feelings for the group than other groups also play a very important role. Other findings are that cognitive does not significantly influence purchasing decisions.

#### IV. CONCLUSION

In the final analysis, for tourists who came from West Sumatra customer ethnocentrism which consists of the dimensions of cognitive, affective and normative simultaneously influence their decision to purchase Padang food. This means that the higher the ethnocentrism the customer has, the bigger the chance of the same type of food with the customer's usually had in their home would be bought. The results of this study are in line with the opinion of the previous studies about customer ethnocentrism [8], [9], [16], [20].

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