**Moral Bases of Consumer Ethnocentrism
and Consumer Cosmopolitanism as Purchase Dispositions**

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The Moral Bases of Consumer Ethnocentrism and Consumer Cosmopolitanism as Purchase Dispositions

Abstract

In this study among United Kingdom consumers, we adduce evidence on the moral bases of consumer ethnocentrism and consumer cosmopolitanism as purchase dispositions. Consumer ethnocentrism involves dispositions to favor domestic products, while consumer cosmopolitanism involves an eclectic approach that includes willingness to buy foreign products. We build our work on moral foundations theory, and specifically on loyalty, authority and sanctity, three key components of moral foundations. Our findings indicate that loyalty has a direct and positive effect on consumer ethnocentrism and on consumer cosmopolitanism. Other moral foundations have negative effects on purchase dispositions: we find negative relationships between authority and consumer cosmopolitanism, and sanctity and consumer ethnocentrism. Our findings also show that consumer ethnocentrism mediates the influence of loyalty on favorable domestic product judgments.

Introduction

Moral foundations, "virtue-based underpinnings that help shape individuals' perceptions, intuitions, and emotions about the rightness and wrongness of their actions and their consequences and their prescriptive judgements of what is just as they relate to others" (Haidt and Kesebir 2010, p. 798), has inspired a rich literature stream in social psychology during the past two decades (Haidt 2001, Haidt and Joseph 2004, Haidt and Graham 2009, Haidt and Kesebir 2010). For example, studies have examined how morality helps bind groups together; enhance group cohesion, trust, and coordinated action; shape standards of fairness, reciprocity, harm and caring; frame in-group vs outgroup loyalties, authority and respect; and define purity and sanctity (Haidt 2001; Haidt and Kesebir 2010). Yet, despite the obvious relevance and possible significance of these foundations in consumer behavior, scholarly work on moral foundations' possible influence in marketing contexts have been limited primarily to conceptual contributions (Belk, Wallendorf, and Sherry 1989). Advances in knowledge about this topic are important for improving the effectiveness of business strategies involving product positioning, targeting and promotional messages where consumer preferences for foreign products are at

issue. More recently, Choi and Winterich (2013) did an empirical study that demonstrated that moral identity variables improve out-group brand attitudes. However, that study did not gauge the influence of moral foundations on either consumer ethnocentrism or consumer cosmopolitanism. Research (Winterich, Mittal and Ross 2009) also shows the interplay between pro-out-group constructs and anti-out-group constructs that may influence consumers' decision-making. Thus, this study leaves a gap in the literature which the present research fills. A better understanding of the role of moral foundations and their consumer behavior implications has the potential to significantly advance our understanding of consumer psychology.

Our study aims to contribute to filling this need. Specifically, we explore on a sample of UK consumers, how various dimensions of moral foundations influence consumer ethnocentrism and consumer cosmopolitanism. Our study builds on moral foundations literature in consumption contexts. We focus specifically on three dimensions of moral foundations: loyalty, authority, and sanctity; specifically, we examine their interplay with two consumer dispositions, consumer ethnocentrism (CE) and consumer cosmopolitanism (CC); and empirically investigate the influence of moral foundations on product judgments.

Consumer ethnocentrism involves favoritism toward domestic products, while consumer cosmopolitanism involves an open-mindset about products regardless of their cultural origins. Our research explores how consumer ethnocentrism may mediate consumers' product judgments in domestic product purchase considerations. After a brief review of the relevant literature, we present the parameters of our methodology and our findings, discuss theoretical and managerial implications of our empirical results, and offer questions for future research. Thus, the present research contributes to a much needed understanding of consumer behavior in the context of global marketing management.

Literature Review

<u>Dispositions</u>

Consumer Cosmopolitanism

The origins of cosmopolitanism can be traced to the 18th century, where it defined individuals who saw themselves as citizens of the world and wanted to distinguish themselves by their willingness to borrow from other cultures. In the 1950s, sociologists such as Merton (1957), described cosmopolitans as people who oriented themselves outside their community rather than being influenced by local traditions and values (Riefler, Diamantopoulos, and Siguaw 2012). More recently, cosmopolitans were described as those who harbor a transnational frame of reference beyond their nation (Thompson and Tambyah 1999), and who journey through life seeking authentic, cultural immersion experiences both within and outside their communities (Cannon and Yaprak 2002; Riefler et al. 2012).

The study of consumer cosmopolitanism (CC) found expression in cross-cultural consumer behavior in the last decade or so when Alden and colleagues (Alden, Steenkamp and Batra 2006), Cleveland and colleagues (Cleveland, Laroche and Papadopoulos 2009), and Diamantopoulos and colleagues (Riefler et al. 2012) anchored it in attitude and identity theories and explored its relationships with sister constructs, such as consumer affinity, world mindedness, xenophilia, global consumption orientation, global identity, and globalization attitude. Other studies connected it to individual and cultural values (Cleveland et al. 2011), ethnic identity, religiosity, migration and materialism (Cleveland and Chang 2009), and to demographics, psychographics, and cultural identity (Cleveland, Papadopoulos, and Laroche 2011). These studies also offered market segmentation implications of CC in cross-cultural contexts.

There are two views on how CC should be measured and constructed. One view posits that CC captures the extent to which a consumer exhibits open-mindedness toward foreign countries and cultures, appreciates the diversity brought about by the availability of products from different national and cultural origins, and is positively disposed toward consuming foreign-made products. In this context, cosmopolitan consumers possess an unprejudiced disposition toward other cultures expressed in an interest in experiencing their authentic manifestations (Riefler et al. 2012). The other view holds that cosmopolitan consumers hold "an ethos of cultural openness", consisting of a willingness to engage with the other, an intellectual and aesthetic stance of openness towards divergent cultural experiences and a positive sense of competence towards alternative cultures. In this context, cosmopolitans favor wider and multiple cultural narratives, hold universal aspirations, are less apt to hold allegiance to any particular community; that is, while they are both local and global, they are more global than local in their orientations and identity (Cleveland et al. 2011). In sum, cosmopolitan consumers possess voracious appetites for consuming culturally authentic experiences, both global and local; they will not necessarily feel economic or moral obligations toward buying domestic products or sense socio-cultural threats from doing so.

Consumer Ethnocentrism

Consumer ethnocentrism (CE) has its origins in the concept of ethnocentrism (Sumner 1906). Ethnocentrism defines that a group of people see their own culture as the center of their universe, viewing the other only from the perspective of their own values and standards; rejecting people who are different from their own group while accepting people who are similar to them. Ethnocentrism favors members of the 'in-group' while members of 'out-groups' are held in contempt. Many sources are postulated to be foundations of ethnocentrism, e.g., nationalism,

xenophobia, national or racial superiority, animosity, racism, and feelings of immorality (Shimp and Sharma 1987).

In consumer psychology, Shimp and Sharma (1987) originally conceptualized CE as "the beliefs held by consumers about the appropriateness, indeed the *morality*, of purchasing locally-made products instead of foreign-made products" (Shimp and Sharma, 1987. p.280). An ethnocentric consumer will view his/her own country, and by extension his/her country's products, as superior to other countries' products and will prefer to purchase these over those from foreign countries, even when foreign products are perceived to be superior in quality (Riefler and Diamantopoulos 2007). Ethnocentric consumers believe that purchasing foreign made products is immoral as doing so would hurt the domestic economy, lead to job losses, and undermine domestic industry; to the ethnocentric consumer, purchasing foreign-made goods poses not only an economic threat, but also a socio-cultural threat (Cleveland, Laroche & Papadapoulos, 2009). National and ethnic symbols and artifacts are sources of pride while those of others are held in contempt. CE, along with patriotism, nationalism, and conservatism, will impede the acceptance of foreign products (Kaynak and Kara 2002; Shimp and Sharma, 1987). The degree of CE felt by consumers will depend on the focal product category; there is also evidence that even though consumers in a particular country are ethnocentric, foreign marketers may still target their products at less ethnocentric consumer segments in the same country (Huddleston, Good & Stoel, 2001; Supphellen, Terri and Rittenburg 2001).

More recent CE research shows that consumer ethnocentrism may, in fact, be a multidimensional construct. The ethnocentric consumer shows a positive affinity, a cognitive evaluation bias, and a behavioral preference and tendencies (willingness to try, repeat purchase, positive word-of-mouth, etc.) for purchasing domestic over imported products. Siamagka and

Balabanis (2015) show that CE is a 5-dimensional construct composed of pro-sociality, cognition, insecurity, reflexiveness, and habituation. In their conceptualization, pro-sociality refers to the love and caring for others in one's own group as ethnocentrism represents patriotism, and in the ethnocentric context consumers are willing to help the domestic economy rather than contribute to the prosperity of other countries' economies. Cognitively, CE consumers are likely to view foreign products as threats from abroad (insecurity) as they may damage the domestic economy. They will display unconscious ethnocentric tendencies which are triggered by external factors such as promotional campaigns that trigger preference for domestic brands (reflexiveness). They will purchase domestic products as part of habit (habituation) as CE is learned from an early age, and these feelings and experiences are accumulated over one's lifetime (Siamagka and Balabanis 2015). CE is a pro-ingroup *and* an anti-outgroup construct, unlike consumer cosmopolitanism (a pro-outgroup) and national identity (a pro-ingroup) construct. CE will help predict consumers' purchase behavior and help managers arrive at market segments through the use of CE.

Josiassen (2011) shows in a similar manner that some consumers who have emigrated to a host country from a home country or have been residing in the host country for some time may repulse the host country's products, and actively reject and distance themselves from the perceived typical host-country consumer; that is, CDI consumers will be repulsed by living in a society in which they feel dissimilar to that country's consumers and will reject buying goods made by that country's marketers, even though they have emigrated to that society to spend their lives there.

These re-conceptualizations of CE point toward the possibility that CE might serve as a likely mediating or moderating influence between antecedents, such as national identity

(Verlegh 2007) or economic nationalism and consumers' purchase behavior intentions expressed in their willingness to buy, word-of-mouth expressions, or product judgments. For example, Klein (2002) shows that consumers' ethnocentric tendencies come alive only when national products are available as purchase alternatives; they do not do so when only foreign products are in the market. Other studies find that CE can be reinforced by consumer animosity and/or by the manifestation of country-of-origin effects in consumers' minds (Jiménez and Martin, 2010; Shankarmahesh 2006). CE has been studied more intensively and less is known about moderator effects on relations between CC and consumer behavior outcomes. However, CC and CE are inversely related and, inferentially, moderator effects on consumer behavior should be distinctive for the two concepts.

Moral Foundations

Haidt and Kesebir (2010) describe moral foundations as universal cognitive modules by which people sense and respond to moral problems and opportunities in social life. They argue that these function as moral systems; that is, they work as interlocking sets of values, virtues, norms, identities, institutions and other evolved psychological mechanisms that work together to regulate or suppress the dichotomies that people face and make cooperative social life possible. They contend that morality in the individual is derived from *intuitive primacy* (the degree to which morals are derived from reason or from sentiment), *moral thinking for social doing* (how people think about and manage internal conflicts between instincts, moral confabulation, and hypocrisy), and *morality as a binding and building foundation* (how people cognitively search for coalitions and work within cultural creations, such as the law, political institutions, and religion to enhance group cohesion, trust, and coordinated action). They underscore that moral foundations are more than issues of harm and fairness or loyalty and authority; they help bind

groups together to build cooperative moral communities that are able to achieve goals that individuals cannot achieve by themselves. They also explain that individuals may hold multiple defensible moralities that guide their moral reasoning, moral emotion and intuition.

Haidt (2012) classifies these foundations into five dichotomies that people face in life: care/harm, fairness/cheating, loyalty/betrayal, authority/subversion and sanctity/degradation. Haidt and Graham (2009) emphasize that people in all cultures are born with the capacity to cultivate virtues based on all five foundations and do cultivate these virtues. As wealth, mobility, technology, education, and cultural diversity weaken individuals' social constraints and increasingly empower them toward making their own choices and constructing lives for themselves, the relative importance of these foundations shifts. Increasing modernity increases the value of the first two foundations (referred to as modern or individualizing foundations) while simultaneously decreasing the value of the latter three foundations (in-group/loyalty, authority/respect, and purity/sanctity, referred to as the traditional or the binding foundations) (Haidt and Graham, 2009, p. 384). In this study, we focus on the *binding foundations* because both of our focal consumer dispositions, consumer ethnocentrism (CE) and consumer cosmopolitanism (CC), have as their foci external groups, communities, societies, and countries as a major basis for product evaluations and judgements; they focus on collectivities, the external cultural milieu rather than on individual unique preferences and experiences. CE and CC concepts are related to nationalism and universalism, respectively. Haight (2012, p.164) theorizes both concepts are connected by means of the loyalty moral foundation.

Loyalty, Authority, and Sanctity as Moral Foundations

We now describe each of these binding constructs.

Loyalty stems from the challenge of intergroup cooperation, where belonging to groups become valuable in the access to scarce resources. Response to this challenge often generates hostile attitudes and behaviors directed at traitors and free riders (Haidt & Graham, 2009). We expect that loyalty will influence consumer ethnocentrism because of consumers' identification with and attachment to their own countries and fellow countrymen's economic and moral welfare. Further, we expect that loyalty will influence consumer cosmopolitanism because studies indicate that consumer cosmopolitans tend to be loyal to their own country in addition to being open to cultural experiences; indeed, they tend to buy home-country products along with purchasing foreign-made products (Cannon and Yaprak 2002; Cleveland, Erdogan, Arikan, and Poyraz 2011; Riefler, Diamantopoulos and Siguaw 2012).

For consumer cosmopolitans, the effects of loyalty may be somewhat diluted or vitiated by virtue of their greater cultural capital and omnivorous consumption patterns, reflecting sophisticated taste and status buying behavior. We evaluate these possibilities in our research through the following hypotheses.

> H1a: Loyalty will positively drive consumer cosmopolitanism
> H1b: Loyalty will positively drive consumer ethnocentrism

Authority involves acknowledgment, deference, and respect for social status of individuals in social institutions, and in turn, restraint and protection of subordinates in those contexts (Haidt & Graham, 2009). According to Nisbet (1966, p.6) authority is "the structure or the inner order of an association, whether this be political, religious or cultural, and is given its legitimacy by its roots in social function, tradition or allegiance." Consumer cosmopolitans are likely to be more socialized and more informed about issues and less inclined to accept arbitrary mandates from sources of legitimate authority. This is because of their travel patterns and global orientation, which lead to a greater awareness of legal norms beyond their own country's

borders. Thus, we would expect self-expressive, non-conformist, non-traditional, egalitarian and anti-authority sentiments to characterize these consumers. Since consumer cosmopolitans are independent, individualist, self-directed, adventurous and open to change as well as appreciative of new cultural experiences, they are more likely to follow their own predilections. We would thus expect a direct, negative relationship between authority and consumer cosmopolitanism. Cosmopolitan consumers should be more deliberative in their purchase actions, with authority exerting a negative influence on these decisions. Thus, we hypothesize that:

H2: Authority will negatively drive consumer cosmopolitanism

Sanctity begins with actual threats that can be generalized to the avoidance of things and people that represent a threat to health as well as individuals and groups who are impure (Haidt and Graham, 2009). This leads to the desire to live in a pure, sacred way; that is, "rising above carnal desires to prepare one's mind and body for contact with God" (Haidt and Graham 2009, p. 382) or beyond what may be considered profane, e.g., "an orientation to objects, places, and actions that is purely utilitarian and practical" (Haidt and Graham 2009, p. 378). Sanctified objects, places and actions have symbolic value that rises above the commonplace and practicality of everyday experience. Consumer ethnocentrics are more likely to be responsive to a larger and more secular part of the product world that represents the interests of their own community or country. Therefore, their interests would include profane and secular objects that hold no special, symbolic, or emblematic value and are utilitarian in everyday pursuits. This would level the choices among all varieties of products, the purchase of which would reflect their support for their communities at large and their embeddedness within their communities. This is likely to provoke their interest in the profane objects and experiences. Thus, we hypothesize that:

H3: Sanctity will negatively drive consumer ethnocentrism.

Product Judgments and Related Hypotheses

In this study we test the possibility that CE may mediate the link between loyalty as a moral foundation and consumer product judgments in our study. We do so because recent work, for instance Siamagka and Balabanis (2015) indicates that, cognitively, CE consumers will view domestic products to be superior to their foreign counterparts; are likely to feel insecure about foreign products' proliferation of their domestic market; reflexively express domestic product preferences; favor domestic products habitually; and strengthen their pro-social attitudes toward their in-group when buying domestic while shunning out-group products.

This perspective is typically expressed in behavioral constructs, such as willingness to buy (WTB) and product judgments (PJ). Alternative consumer socio-psychological traits, such as CE and CC will influence PJs in both home and foreign market contexts and exert both complementary and compensatory influences on purchase behavior. Consumers' product judgments reflect their perceptions of, and attitudes toward a domestic or foreign product's innovativeness, design, prestige, and workmanship. These manifest themselves in PJs toward home-made vs foreign-made products and can be sourced in CE, CC, and other constructs, such as national identity. In our work, we examine CE's mediating effect on the PJs of UK consumers when linked with the loyalty moral foundation as we theorize that people will rationalize their loyalties in their PJs by underscoring their interest in protecting their fellow workers, accentuate their national pride, and feel a halo about domestic product purchases while simultaneously harboring negative feelings about foreign products. Thus, we hypothesize that:

> H4: Consumer ethnocentrism will mediate the loyalty moral foundation's influence on domestic product judgments.

A Model of Purchase Justification

In the preceding discussion, we posited that loyalty and sanctity moral foundations will directly affect consumer disposition CE. We also posited that, loyalty as well as authority

will influence CC. In addition, we posited that CE will mediate loyalty's influence on product judgments (PJ) through CE. We now present the systematic framework we used for evaluating these effects. This framework incorporating these constructs and their interrelationships is summarized in Figure 1.

Insert Figure 1

In sum, we investigate the influence of binding moral foundations (loyalty, authority and sanctity) on consumer dispositions (consumer ethnocentrism, CE, and consumer cosmopolitanism, CC) and generalized judgments of domestic products (PJ) on a sample of British consumers. Our model reveals that loyalty influences both CE and CC, but exerts a greater influence on CE when compared to CC. It also shows that authority exerts a negative influence on CC and sanctity casts a negative influence on CE. We further assert that CE will mediate loyalty's relationship with PJ, accelerating the positive shaping of favorable domestic product judgments.

Methodology

Participants and Procedure

We administered questionnaires containing our measurement items through research assistants who randomly recruited adult consumers through mall intercepts in central locations in London, England who invited them to participate in our study. 297 people agreed to participate with 255 usable responses, an 86% usable response rate. The sample was about equally divided by gender (52% female and 48% male). Other key demographic variables indicated that 70% of

our sample was married with 20% single, and 10% divorced or widowed (parallel to UK national statistics) and the median age was 47. The respondents were debriefed after participation.

<u>Measures</u>

Our research instrument measured product judgements about domestic and foreign products and cultures, consumer dispositions of consumer ethnocentrism and consumer cosmopolitanism, and personal images of respondent moral foundations, loyalty, authority, and sanctity. Opinions of UK products were obtained during the interviews before consumer dispositions were tapped in order to objectify product judgment effects. We describe our measures of these below and present descriptive statistics of our modeled scale items in Appendix A.

Moral foundations: We used the *moral foundations* (*MF*) *questionnaire* (Graham, Haidt & Nosek, 2009) designed to measure this construct. We employed an 11-item binding (moral judgment) subsection of this instrument to measure the *loyalty*, *authority*, and *sanctity* foundations in our work. Sample statements included, "respect for authority is something that all children need to learn", "it is good to do good than to do bad", and "compassion for those who are suffering is the most crucial virtue".

Ethnocentrism: Drawing from Josiassen (2011), we used the shorter, 5-item version of the original 17-item Shimp and Sharma (1987) *CETSCALE* to tap CE. Sample statements included, "purchasing foreign-made products is un-British", "UK consumers who purchase products made in other countries are responsible for putting their fellow UK citizens out of work", and "we should purchase products manufactured in the UK instead of letting other countries get rich off of us".

Cosmopolitanism: We used the 12-item *C-COSMO* scale introduced into the literature by Riefler et al. (2012) to capture CC. Our choice of this scale over other scales in the literature was because we wanted to operationalize a positive outgroup disposition at the same level of specificity as CE regarding consumption as compared to the more global construct of cosmopolitanism developed by Cleveland and colleagues (2011, 2012, 2014) which represents cultural openness and adeptness at navigating cultural differences irrespective of contextual application. Sample statements included, "I like having the opportunity to meet people from many different countries", "the availability of foreign products in the domestic market provides valuable diversity", and "I like trying out new things that are consumed elsewhere in the world". These items tapped the open-mindedness, diversity appreciation, and the consumption transcending borders dimensions of the C-COSMO scale.

Product judgments: We used the 4-item, 5-point PJ scale developed by Zaichkowsky (1985) and employed by Josiassen (2011) to measure the perceived cognitive and affective relevance of the focal product to consumers based on their inherent needs, values and interests and consumers' involvement in the focal product. A representative item is "I am favorable toward products made in the UK" and "When traveling, I make a conscious effort to get in touch with the local culture and tradition".

Original questionnaire Items appear in Appendix B.

Evaluation of our Measurement Model

The reliabilities of model concept indicators was assessed by means of alpha statistics. Each reliability score was near or above normative acceptability of ,70. Alpha statistics were: Loyalty = .75; Authority = .61; Sanctity = .87; CC = .80; CE = .92; and PJs = .91.

The convergent validity of our measurement model empirically supported the authenticity of the nodes within the nomological net of our study constructs. In our convergent validity test, the indicators converged to demonstrate a high proportion of variance of our latent variables, as expected. The AVE statistic for each of our constructs exceeded the $>.50$ criterion as follows: Loyalty = .71; Authority = .55; Sanctity = .69; CC = .84; CE = .84; and PJs = .68.

Additionally, the evaluation of our measurement model involved testing for discriminant validity. Discriminant validity is based on the validation that indicators exclusively fit the appropriate scales and are not confounded with other study constructs. Examination of our cross-loadings demonstrated that study indicators loaded highest on their corresponding constructs; this established that the criterion of discriminant validity was met (Hair, Hult, Ringle and Sarstedt 2016).

Results

We tested the relationships shown in Figure 1 as a structural equation model (SEM) using partial least squares (PLS). We used this approach to measure whether and the extent to which moral foundation dimensions (loyalty, authority, and sanctity) and consumer dispositions (consumer ethnocentrism and consumer cosmopolitanism) were related and whether these consumer dispositions helped predict product judgments. We employed the SmartPLS 3 software, a composite-based approach to the use of SEM.

Indicator loadings for constructs, together with path coefficients, and explained variance of constructs appear in Figure 2.

Insert Figure 2 here

All relationships we show in figure 2 were statistically significant supporting the integrity of our theoretical model. First, Loyalty had a positive influence on CE (.663) and CC (.322), confirming our H1; that is, loyalty influenced both consumer dispositions, but did so more intensively on CE than on CC. Second, as we predicted in H2, Authority had a negative influence on CC (-.255); that is, rejection of the authority moral foundation predicted consumer cosmopolitanism. Though this is compatible with the idea that cosmopolitans are fundamentally egalitarian in their moral values, the weak intensity we found (-.255) raises questions about the efficacy of this hypothesis and opens up future research questions. Third, Sanctity (-.322) had a negative effect on CE, disconfirming our thesis in H3 that CE consumers will engage in sacred concerns while CC consumers will be more profane. As we expected in H4, CE was positively related to PJ (.354), and mediated the loyalty-product judgment relationship we had theorized: our sample consumers judged UK (domestic) products more favorably when the loyalty effect was strengthened by its route through CE. In summary, our results show that binding moral foundations are related to consumer dispositions and some dispositions, such as CE, can mediate behavioral intentions, measured as product judgments that originate in these foundations.

Discussion

Our study provides evidence of direct influences of three moral foundations on two consumer dispositions that have thus far remained under-researched in consumer behavior contexts. Although there have been calls for additional research on moral values into diverse aspects of consumer behavior (for instance, Winterich and colleagues, 2009 and 2012), progress in this research stream has been slow. Our findings add to this emerging research avenue. Our findings that revealed that moral foundations can exert a significant influence on consumer

dispositions and product judgements should advance our understanding of why particular strategies, such as positioning strategies and promotional themes, will or will not work in various product marketing settings.

The positive effect of loyalty moral foundations—attachments to other individuals or groups--on major consumer dispositions may help explain how and why CE and CC consumers will respond positively or negatively to nationalistic vs humanistic or utilitarian vs hedonistic slogans and themes. For instance, egalitarian and secular appeals might work better with CC consumers while communal and profane appeals might motivate CE consumers. The salience of CE consumer identities could enhance the imagery and absorption of domestic products in some market segments while the importance of CC identities could advance the acceptance of both local and global products in other market segments.

Our study should also present opportunities for work on clustering consumers into various groups based on their moral foundations. Finally, our work should enhance understanding of how value priorities of consumers affect their social experiences, how these affect their behavioral orientations and choices, and point to possible causes of cross-cultural similarities and differences in how these priorities might affect purchase behavior.

<u>Managerial implications</u>

Marketing communications will likely be more effective when promotional themes advanced by the marketer are consistent with the moral foundations of the target consumers. This is because promotional themes consistent with moral foundations make moral identities salient, supporting the persuasiveness of such themes. Our finding that the loyalty foundation works well for both consumer ethnocentrics and consumer cosmopolitans suggests that altruistic product decisions for family, country or global benefit can be successfully embedded in promotional

content. Secular themes of product value, reliability and quality associated with domestic products should appeal to consumers with ethnocentric dispositions. Individualism themes can work well with communications to consumer cosmopolitan targets. Other managerial opportunities involving consumer moral foundations involve new product development and line extension contexts. Mass market value-driven new products will likely appeal to consumers with secular foundations and ethnocentric orientations. Exotic, unconventional and distinctive new products will likely capture the imagination of independent and anti-authoritarian cosmopolitans. Consumer cosmopolitans will likely not respond well to appeals that follow authority. Consumer ethnocentrics will not take to products marketed through symbolic sacralization. These ideas exemplify the kinds of managerial contexts implicated by our study.

Managerial applications of what has been learned about consumer moral foundations include insights about effective strategies for market targeting, promotional opportunities, and new product decisions. Communications that embody the loyalty moral foundation should be effective with both CE and CO segments. Message appeals that incorporate individual moral foundations should be advantageous with CO consumer segments. Finally, marketers should avoid sacral product imagery and authority product endorsements for CE segments and CO segments, respectively.

Corporate social responsibility programs represent another avenue for the application of consumer focused moral foundations research. The literature on moral foundations and consumer pro-social behaviors is sparse, but there is a growing research stream contiguous to moral foundation theory that has started investigating morality in prosocial consumer behavior contexts (see for example, Giesler and Veresiu 2014; Gregory, Smith, and Winkhofer, 2013; Reed, Aquino, and Levy 2007; Winterich, Mittal, and Ross 2009; and Xie, Bagozzi,and Gronhaug

2015). In this stream, we see for example, that moral foundations function as associative cognitive networks of related moral traits. Building on this, self production involvement and behavior can be traced to consumer moral obligations, personal feelings and responsibility to perform or refuse to perform certain forms of behavior. Belk (1989) argues that consumption is a means of the sacralization of secular possessions. Kidwell, Farmer and Hardesty (2013) demonstrate that communications are more effective when congruent with moral foundations. Winterich, Zhang and Mittal (2012) show that moral foundations given a charity's image, and when aligned with donor political identity, can generate increased donations. In sum, we learn that moral foundations can transform the meanings of possessions, and motivate altruistic and collective consumer behaviors.

<u>Limitations and future research</u>

Our study is limited to general and overall appraisals of domestic products in only one country. It does, however, importantly extend knowledge of moral foundations in consumer psychology. Beyond purely conceptual underpinnings, the present empirical study breaks new ground in that it outlines specific dimensions of moral foundations that are predictive of consumer ethnocentrism and consumer cosmopolitanism. It would be helpful to extend its range to multiple specific product categories and diverse brands and to multiple country settings. This, too, opens up new questions for future research. Future research might not only replicate results of our model, but also introduce as moderators additional variables in the moral domain, such as moral reasoning, moral identity.

Future research might involve, for instance, the retail context for consumer purchases as a study setting which may shed light on generalizable conclusions about the efficacy of CE and CC in foreign vs domestic brand purchase situations. Future studies that are more longitudinal

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and experimental in design may more conclusively establish the possible causal sequences between moral foundations and consumer dispositions. Another research direction might be to augment study samples for more detailed analyses of first or second generation immigrants and other segments that might possess cross-pressures in terms of culturally conditioned moral values. This would help extend previous work on these questions, for instance by Cleveland and Laroche (2007), Cleveland, Laroche, and Papadopoulos (2009), and (Josiassen (2011). Our work provides new insights on previously unexplored relationships in consumer research. Future studies could also extend our study's findings not only to other countries and varied consumer behavior contexts, but also to the popularly-studied moderating and mediating variables found in moral psychology, such as multiple defensible moralities, functioning of moral systems, and fairness, reciprocity, harm and care.

Conclusion

The Moral Foundation Theory (Haidt, 2001) in its basic form describes that there are five dimensions that define the morality of an individual: (1) care / harm (i.e., the ability to feel and abhor the pain of others), kindness, gentleness, and nurturance; (2) fairness vs. cheating (subsuming ideas of justice, rights, and autonomy), (3) loyalty vs. betrayal (incorporating philosophies of patriotism, and self-sacrifice for the group), (4) authority vs. subversion (taking in notions of leadership and followership, obeying authorities, and respecting given traditional values), and lastly (5) sanctity vs. degradation(reflecting a desire to become elevated, less carnal and more noble). Our study has demonstrated that binding moral foundations of authority, loyalty and sanctity are important predictors of consumer ethnocentrism and consumer cosmopolitanism. In contrast, two other individual dimensions of moral foundations—care/harm and fairness vs. cheating-- are insignificant and represent blind alleys for research in this area.

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APPENDIX A
DESCRIPTIVE STATISTICS FOR MODEL INDICATORS

Item	Mean	Standard Deviation
Consumer Cosmopolitanism		
Q6b	4.196	0.725
Q6f	3.988	0.809
Q6g	4.039	0.761
Consumer Ethnocentrism		
Q4a	4.0400	0.888
Q4e	3.9840	0.951
Authority		
Q8d	4.225	0.990
Q8j	3.285	1.158
Loyalty		
Q8c	3.892	0.888

Q8i	3.256	1.131
Sanctity		
Q8e	3.726	1.008
Q8k	3.004	0.955
Product Judgment		
Q1c	3.8670	0.798
Q1d	3.8170	0.746

APPENDIX B
ORIGINAL QUESTIONNAIRE ITEMS

PRODUCT JUDGMENT

(4 items; 5 point (strongly agree – strongly disagree))

A. American products seem good
B. I am favorable toward products made in America
C. **American-made products seem to be unsatisfactory
D. American products are of good quality

CONSUMER ETHNOCENTRISM

(5 items; 5 point (strongly agree – strongly disagree))

A. Purchasing foreign-made products is un-American
B. It is not right to purchase foreign because it puts American people out of jobs
C. We should purchase products manufactured in America instead of letting other counties get rich off of us

D. We should buy from foreign countries only those products that we cannot obtain within our own country

E. American consumers who purchase products made in other countries are responsible for putting their fellow Americans out of work

CONSUMER COSMOPOLITANISM

(12 items; 5 point (strongly agree – strongly disagree))

A. When travelling, I make a conscious effort to get in touch with the local culture and tradition

B. I like having the opportunity to meet people from many different countries

C. I like to have contact with people from different cultures

D. I have got a real interest in other countries

E. Having access to products coming from many countries is valuable to me

F. The availability of foreign products in the domestic market provides valuable diversity

G. I enjoy being offered a wide range of products coming from various countries

H. Always buying the same local products becomes boring over time

I. I like watching movies from other countries

J. I like listening to music of other cultures

K. I like trying original dishes from other countries

L. I like trying out things that are consumed elsewhere in the world

MORAL FOUNDATION (BINDING)

(11 items; 5 point (strongly disagree – strongly agree))

A. Compassion for those who are suffering is the most crucial virtue

B. When the government makes laws, the number one principle should be that everyone is treated fairly

C. I am proud of my country's history

D. Respect for authority is something all children need to learn

E. People should not do things that are disgusting, even if no one is harmed
F. It is better to do good than to do bad.
G. One of the worst things a person could do is hurt a defenseless animal.
H. Justice is the most important requirement for a society
I. People should be loyal to their family members, even when they have done something wrong.
J. Men and women each have different roles to play in society
K. I would call some acts wrong on the grounds that they are unnatural

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Figure 1: Loyalty, Authority, and Sanctity Moral Foundations' Influence on Consumer Ethnocentrism and Consumer Cosmopolitanism as Consumer Dispositions

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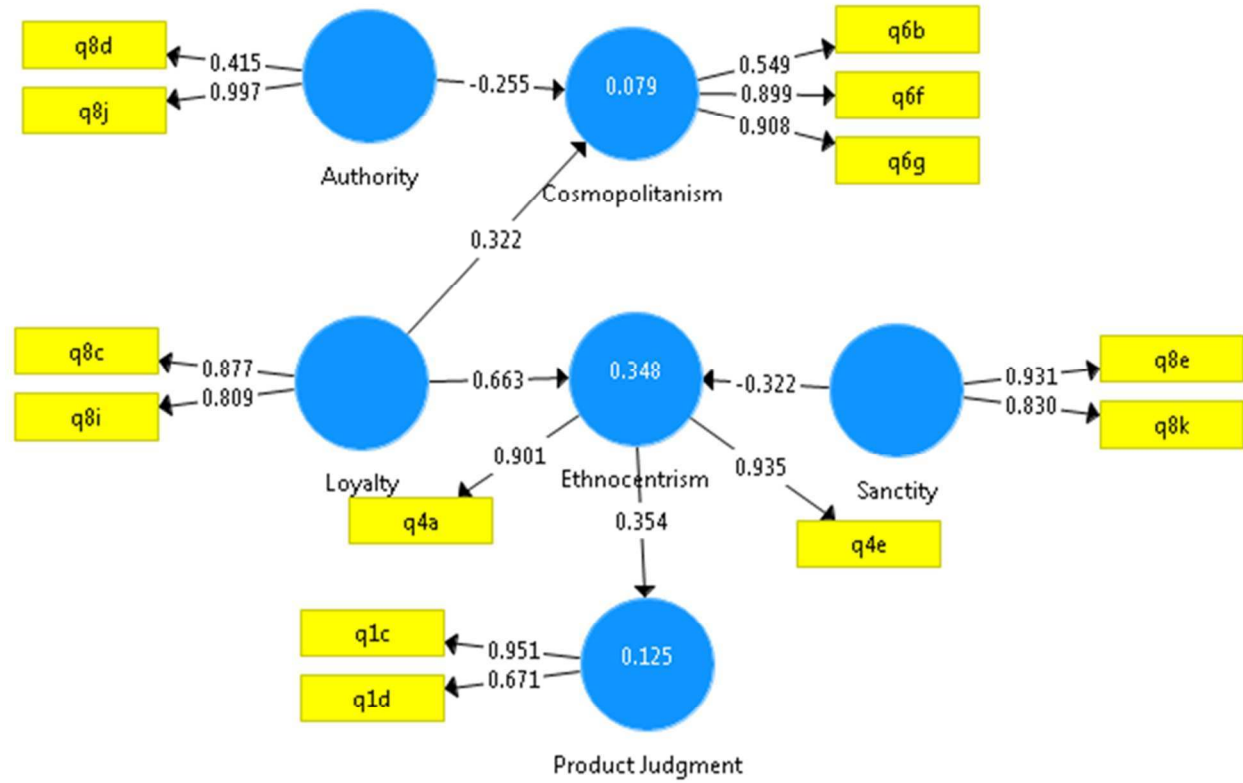41
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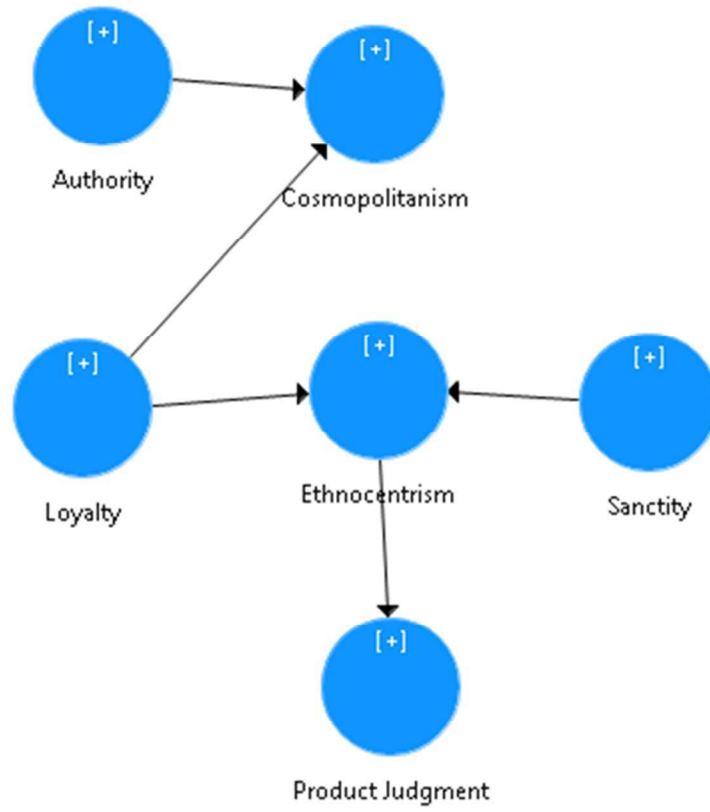
Figure 2: SEM Results with Standardized Path Coefficients