



Consumer animosity, economic hardship, and normative influence

How do they affect consumers' purchase intention?

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Abstract

Purpose – This paper aims to examine the concept of “consumer animosity”, model its antecedents, and assess its influence on intention to purchase.

Design/methodology/approach – Survey questionnaires were distributed by a quasi-random sample of school pupils across Taiwan to an adult member of their household, for completion and return. A return rate of 70 percent yielded 456 usable questionnaires, the data from which were analysed by the LISREL structural equation modelling software.

Findings – The results suggest that perceived personal economic hardship and the normative influence of members of a consumers’ reference group have a positive impact on the phenomenon of consumer animosity, which in turn negatively affects the intentions of consumers in Taiwan to purchase products originating in mainland China and Japan. Contradicting previous studies, consumer animosity was found to be dependent on judgments of product quality.

Research limitations/implications – The research model was built from data collected by non-probability sampling in a single country. There was no evidence of sampling bias, but future studies would benefit from inclusion of more independent variables and a wider geographical scope.

Practical implications – The findings contain many practical lessons for planners of export marketing strategy.

Originality/value – Two existing theories of social behaviour are integrated with the concept of consumer animosity to explain consumption choices in an international context.

Keywords Recessions, Social interaction, Consumer behaviour, Product quality, Taiwan

Paper type Research paper



1. Introduction

1.1 Context of the study

In an age of expanding globalization, marketing managers and strategists are faced daily by whole sets of challenges and opportunities. Decision to be made include

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location of production, mode of entry and marketing communication strategies, for example, and all have significant ramifications for marketing and corporate performance. Consumers, meanwhile, are exposed to a plethora of domestic and foreign products and brands, among which choices have to be made. Understanding the bases on which they decide between those alternatives poses another strategic challenge for marketing management.

Among the numerous “country of origin” (COO) studies, many pointed to a preference among consumers in general for the products of countries in the advanced economies over those originating in less developed countries (Schooler, 1971; Wang and Lamb, 1983; Ettenson, 1993; Jaffe and Martinez, 1995). Recent studies have cast some doubt on this generalization. For instance, Klein *et al.* (1998) showed that Chinese consumers living in Nanjing, the site of atrocities during eight years of Japanese occupation up to the Second World War, “might” avoid products made in Japan on account of animosity towards that country of origin. Similarly, Nijssen and Douglas (2004) found Dutch consumers to be reluctant to purchase German-made products because of German occupation of their country during that war. Most recently, Brown and O’Cass (2006) found that “consumer ethnocentrism” had negatively affected Australian consumers’ willingness to buy wine produced elsewhere. In this case, the reason seemed to be “strained relations” with unspecified countries abroad. These research findings suggest that intention to purchase is no longer a function simply of the level of economic development of the country of origin, but rather that ethnocentric attitudes and beliefs affect consumption choices (Klein, 2002).

Two kinds of animosity were identified by Jung *et al.* (2002) and Ang *et al.* (2004). “Personal stable animosity” is rooted in individuals’ personal experiences: for instance, the feelings of older Chinese or Korean citizens who suffered under Japanese occupation. “Personal situational animosities”, by contrast, are temporary negative sentiments caused by specific current circumstances. An example of this is the attitude of American automobile workers towards the threat to their industry posed by the success of imports from Japan and Europe (Klein and Ettenson, 1999; Riefler and Diamantopoulos, 2007).

This discriminatory tendency is aptly summed up by Klein *et al.* (1998) as “consumer animosity”, a term which carries a somewhat more outward-directed and active implication of resulting action on the consumer’s part than does the inward-looking and abstract notion of “ethnocentrism”. The construct was defined as “remnants of antipathy related to previous or ongoing military, political, or economic events (Klein *et al.*, 1998, p. 90)” that affect consumers’ intention to purchase foreign products. As we have seen, such antipathy can derive from historical military, political or economic interventions in a country’s affairs that its citizens find it difficult to forgive and forget. Several international studies during the past ten years have found evidence that consumer animosity focused on countries or regions can significantly reduce the sales of the object nation’s products (and, no doubt, services) to the subject nation. These have been conducted among consumers in North America (Klein and Ettenson, 1999), in Europe (Balabanis and Diamantopoulos, 2004; Hinck, 2004; Hinck *et al.*, 2004; Nijssen and Douglas, 2004), in Australia and New Zealand (Ettenson and Klein, 2005), in China and South Korea (Klein *et al.*, 1998; Shin, 2001; Amine *et al.*, 2005), and in the Middle East (Shoham *et al.*, 2006). Other studies used an explicit consumer

animosity framework as the basis of their research into consumption choices among domestic consumers exposed to foreign products. Ettenson and Klein (2005) and Russell and Russell (2006) collected their data in the USA, Brown and O'Cass (2006) in Australia, Riefler and Diamantopoulos (2007) in Austria, and Edwards *et al.* (2007) in the Far East, specifically with respect to the effect of French nuclear testing in Polynesia. Shankarmahesh (2006) conducted an extensive literature review. Despite this volume and variety of research, our own review of the literature found that research issues such as the antecedents and consequences of consumer animosity remain to be thoroughly addressed. Only Klein and Ettenson (1999) and Shoham *et al.* (2006) identified extrinsic variables that had an impact on consumer animosity, such as age, dogmatism, nationalism and union membership.

Furthermore, there is contradictory evidence about the extent to which consumers' judgments of product quality and their purchase intentions can be influenced by consumer animosity. Han (1989) and Johansson (1989) suggested that quality evaluations were influenced only by a country's image. Klein *et al.* (1998) and Klein (2002) found that consumer animosity did not influence product quality judgments but did have a positive relationship with purchase intention. By contrast, the findings of a study by Shoham *et al.* (2006) of the effect of the Palestinian intifada in Israel show that both purchase intention and quality judgments can indeed be negatively affected by consumer animosity.

1.2 Choice of countries for the study

The study reported here answers calls by Batra *et al.* (2000) and Balabanis *et al.* (2001) for a shift of focus away from the USA, to increase the relevance of the available body of knowledge to international marketing planners, strategists and managers, who will be better able to apply the consumer animosity model to estimation of the degree of hostility to their country or region around the world, and its effect on the consumption choices of consumers in other countries.

Its general aim was to investigate consumer animosity in one country towards the products of two others, in a single study, which has been done by no research published to date. Specifically, it compares the degree of hostility among consumers in Taiwan to products manufactured in two other countries in South-East Asia: the People's Republic of China (hereafter referred to as "mainland China" or simply "China") and Japan, with the concept of consumer animosity as the underpinning theoretical framework.

The choice of Taiwan is appropriate, given its long and difficult history of relations with mainland China since 1947 and its experience of a half-century of occupation by Japan until the end of World War II. The context of the research is thus somewhat similar to those of three studies mentioned in the Introduction: of attitudes to Japanese products in Nanjing (Klein *et al.*, 1998), of Dutch resistance to German products (Nijssen and Douglas, 2004), and of the effects on consumer choices of civil conflict in Israel (Shoham *et al.*, 2006). The potential for consumer animosity is clear from this thumbnail description of the underlying tensions, but full understanding of this rationale, and of the methodology to be explained in due course, demands a more thorough knowledge of the dynamics of Taiwan's military and political relationships with China and Japan over time. That background is provided in the Appendix.

2. Literature review: theoretical background

2.1 Social identity theory

It has been suggested that this “integrative theory of inter-group conflict” pioneered by Tajfel (1982) and developed by Tajfel and Turner (1986), is potentially useful in illuminating the nature and causes of international animosity (Shimp *et al.*, 2004; Shoham *et al.*, 2006). Social identity theory proposes that individuals aim to develop and enhance their self-image and self-esteem by a process of self-categorization, classifying themselves and others into the “in-groups” and “out-groups” that typically exist in all societies (Turner, 1987). Social categories make manifest the attributes and characteristics of a particular identity, codify the behaviour appropriate to that identity, define its societal worth, and thereby construct the in-group/out-group dichotomy (Goar, 2007). Individuals compare their own in-group with relevant out-groups, and strive to maintain intergroup distinctiveness by favouring the former and discriminating against the latter (Hewstone *et al.*, 2002; Verlegh, 1999, 2007).

Tajfel (1982) noted that membership of one or the other might be based in practice on nationality and ethnicity. According to Duckitt and Parra (2004) and Sidanius and Pratto (1999), natives of one country may react negatively to foreign countries and their products because of heightened awareness of their own cohesive group identity and solidarity.

In the context of our own study, a Taiwanese in-group might perceive itself as having more democratic values than its counterparts in mainland China, who are thus perceived as the out-group(s). This process will lead steadily to increasing consciousness of a distinct Taiwanese identity separate from China (Saunders, 2005). The real or perceived differences between the in-group and all out-groups can be expected to affect an individual’s evaluations, judgments and behaviour (Shimp *et al.*, 2004), in the marketing context as in social life.

However, Social Identity Theory does not suggest that consumers will always prefer domestic products over foreign alternatives, at any cost (Verlegh, 2007). Several studies have shown that in-group members’ evaluations exhibit a balance of bias and reality (Verlegh, 2007). For example, Balabanis and Diamantopoulos (2004), in a study of British consumers, found that bias to the in-group might better explain the favouring of domestic products than discrimination against foreign alternatives. Similarly, although Polish consumers (Supphellen and Rittenburg, 2001) and Russian and Chinese consumers (Klein *et al.*, 2006) were more likely to be biased in favour of domestic products, they did not necessarily discriminate against foreign alternatives when those were clearly superior. Pro-national bias may not always be strong enough to overcome price or quality disadvantages, for example, and consumers may therefore sometimes prefer the foreign alternative (Verlegh, 2007).

2.2 Realistic group conflict theory

This theoretical framework can be usefully combined with Social Identity Theory to explain international animosity in general (Brief *et al.*, 2005; Michener *et al.*, 1986) and, in particular, discrimination against a foreign brand that is indeed superior to the domestic alternative (Brief *et al.*, 2005; Tajfel and Turner, 1979). Specifically, several studies have suggested that a history of war and conflict heightened ethnic identification (Hong *et al.*, 2001), which in turn generated negative attitudes to a perceived out-group (Brown *et al.*, 2001; Shoham *et al.*, 2006).

Realistic Group Conflict Theory proposes that discrimination and prejudice with respect to out-groups often stems from perceived threats to the in-groups' survival (Bobo, 1983; Levine and Campbell, 1972). Those perceptions could be based on negative contact with members of the out-group members, and the consequent belief that the ones' gain is another's loss (Sidanius and Pratto, 1999). Groups in competition for limited resources thus learn to regard the out-group as potential rivals in a zero-sum conflict, and develop hostile attitudes accordingly (Correll and Park, 2005; Esses *et al.*, 1998; Sherif *et al.*, 1961). The presence of a perceived out-group threat will furthermore strengthen feelings of membership, common identity, solidarity and cohesiveness within the in-group (Thomas and Chrobot-Mason, 2004). Danielidou and Horvath (2006) and Duckitt and Parra (2004), have drawn on Realistic Group Conflict Theory to explain the widespread negative attitudes of local citizen to foreign immigrants and minority ethnic groups.

In the context of the study reported here, Taiwan is in intergroup conflict with mainland China and Japan, as the result of a long history of political, military or economic conflicts (Hughes, 2001; Zha, 2001; Roy, 2003), and has viewed it as the source of symbolic threat (Danielidou and Horvath, 2006). Taiwan is thus an appropriate and interesting international setting for research into the effects of consumer animosity.

2.3 Economic hardship and consumer animosity

Barrera *et al.* (2001) defines economic hardship as a perceived inability to: obtain the necessities for living; meet financial obligations; reduce expenses or increase income; and conceive of the possibility of a brighter financial outlook. This subjective experience has been said to have a greater effect on an individuals' mental status and physical wellbeing than the objective state of being poor (Sapolsky, 2005). Most of the research on this topic has been conducted in the setting of the family, finding that perception of economic hardship can lead to symptoms of depression in parents, and be linked to hostile behaviour towards family members and domestic violence (Conger and Elder, 1994; Conger *et al.*, 2000; Yoder and Hoyt, 2005). A study of Chinese families found that economic hardship was often associated with lower levels of self-respect, existential wellbeing, life satisfaction and self-control, as well as with higher levels of "general psychiatric morbidity" and substance abuse by the adolescent family members (Shek, 2003).

The perspectives of Social Identity Theory and Realistic Group Conflict Theory suggest that perception of an out-group threat increases feelings of economic hardship among the inhabitants of an in-group country, and the belief that financial resources have been taken away by the outsiders. That would in turn reinforce fears of a bleak economic future, reduced wellbeing and poor life satisfaction (Shek, 2003), and ultimately result in hostility towards the out-group country because the latter was gaining benefit at the formers' expense (Grant, 1991; Schmitt *et al.*, 2003).

On that basis, it is hypothesized that perceived economic hardship could result in a higher level of animosity towards an out-group. Specifically:

- H1.* Economic hardship in Taiwan has a significant positive effect on animosity towards (a) China and (b) Japan.

2.4 Normative influence and consumer animosity

“Normative influence” has been defined as the motivation to blend in with a groups’ norms, characteristics and attributes (Deutsch and Gerard, 1955) or alternatively as conformity with the beliefs and behaviours of others in an attempt to align with the expectations of referents (Park and Lessig, 1977), as a means to avoid punishment or earn rewards (Burnkrant and Cousineau, 1975). It thus reflects value-expressive or utilitarian influences. The concept has been operationalized, measured by means of an individual difference construct, labelled “susceptibility to normative influence” by Bearden *et al.* (1989), which has been applied to a wide variety of consumption behaviours.

Status or conspicuous consumption has been defined by Eastman *et al.* (1999, p. 310) as “the motivational process by which individuals strive to improve their social standing through conspicuous consumption of consumer products that confer or symbolise status both to the individual and to surrounding significant others”, and by O’Cass and McEwen (2004) as the motivation to enhance ones prestige or image in society by publicly demonstrating and signalling wealth, and communicating affluence to others. In short, consumers who exhibit this behaviour pattern use their consumption decisions and chosen products as a vehicle for improving their social image within a reference group (O’Cass and Frost, 2002). Schroeder (1996) found that consumers who indulged in status or conspicuous consumption were often susceptible to normative influence. Marcoux *et al.* (1997) argued that direct interpersonal influence was the primary driver of conspicuous consumption. More recent studies have also concluded that consumers are generally more responsive to how their “relevant referents” perceive them when making their consumption decisions (Batra *et al.*, 2000, 2001; Piron, 2000). According to O’Cass and McEwen (2004) and Clark *et al.* (2007), normative pressure affects status and conspicuous consumption behaviour, which is in turn significantly and positively influenced by interpersonal influences. Indeed, the “susceptibility to normative influence” measure is said to predict the products, brands and services that will be esteemed or seen as prestigious in given circumstances.

We have seen that the presence of a perceived threat from an out-group will increase solidarity, identity and cohesion within the in-group, which will in turn increase the likelihood of a negative reaction by natives of a country or region to those from another that is perceived to be a threatening out-group (see Section 2.2). We also know that consumption decisions are generally more influenced by consumers’ desire to be respected by fellow members of their reference group or groups, and indeed to avoid presenting themselves in a way that might result in socially unacceptable outcomes (Wooten and Reed, 2004). It seems logical to conclude that consumers who are hostile to the products and services from out-group countries will also be susceptible to normative influence, adopting the negative opinions and behaviour of their “relevant referents” with respect to those countries (Tharp and Marks, 1990, 1991). We therefore hypothesize that:

H2. Normative influence in Taiwan has a significant positive effect on animosity towards (a) China and (b) Japan.

2.5 Consumer animosity, judgment of product quality, and intention to purchase

It is widely argued that judging the quality of products and services originating in foreign countries can be a very complex process. Prominent among the factors

contributing to that complexity is consumer animosity, but there has been some debate among academics about its influence on quality judgments. On the one hand, several studies have found that it has no direct effect on purchase decisions, independent of product quality judgments. For example, Klein (2002, p. 347) has argued that hostile consumers “do not distort or denigrate images of a target country’s products, they simply refuse to buy them”, separating their animosity towards the country from their assessment of its output (Klein *et al.*, 1998; Klein and Ettenson, 1999; Ettenson and Klein, 2005).

On the other hand, most country-of-origin research over the past thirty years has been based on the assumption that consumers use a country name as an image cue for the drawing of inferences about product quality: the “made in” effect emphasized by O’Cass and McEwen (2004). For example, Hong and Wyer (1989, 1990) found that the reputation of a country of origin influenced perceptions of product significantly more strongly than objective information about a products specific attributes. Han (1989) and Heslop and Papadopoulos (1993) investigated the role of the country of origin as a “halo” construct, summarising beliefs about product attributes, and only then influencing attitudes or intention to purchase. Shoham *et al.* (2006) found that consumer animosity would lead to product denigration denied by Klein (2002).

Social Identity Theory predicts that individuals who are firmly aligned with the beliefs and values of a given in-group are likely to favour it over any out-group. Several studies have examined this phenomenon in country-specific settings, and found that individual differences in the degree of national identification and the level of the perceived threat influenced quality judgments and purchase intentions, in both directions (Ettenson and Klein, 2005; Shoham *et al.*, 2006; Verlegh, 2007; Ahmed and d’Astous, 2008). Further, Realistic Group Conflict Theory predicts that individuals who suffer a real or imagined personal loss resulting from an out-groups gain are likely to translate that experience into perception of a threat to the in-group and increased prejudice against the out-group. Thus, intergroup bias can result in negative stereotyping, and make in-group solidarity more important to the individual than objective assessment (Sherif and Sherif, 1979).

Agreeing with the proposition that consumers who feel animosity towards a foreign country are likely to denigrate its products and refuse to purchase them, we advance the following three hypotheses:

- H3.* Consumer animosity in Taiwan has a significant negative effect on product quality judgments towards (a) Chinese and (b) Japanese products.
- H4.* Product quality judgments of (a) Chinese and (b) Japanese products have a significant positive effect on Taiwanese consumers’ purchase intention.
- H5.* Consumer animosity in Taiwan has a significant negative effect on purchase intention of (a) Chinese and (b) Japanese products.

2.6 Moderators of animosity: perception of economic threat and respondent age

We saw in Section 1.1 that two types of personal animosity have been identified. “Personal stable animosity” is based on personal experiences and durable over time, and is thus likely to be related to the age of the individual. “Personal situational animosity” is a response to particular current circumstances, more temporary in nature and likely to relate to perceived out-group threats. It is thus reasonable to assume that

the influences on animosity posited in *H1* to *H5* will be moderated to some extent by two key variables relating to the individual: perception of economic threat and age. The relevant literature is rather limited. Klein and Ettenson (1999) found significant animosity among members of American automobile-workers' unions towards Japan, in response to a perceived threat to their economic wellbeing. A cross-national study in the Far East by Ang *et al.* (2004) attributed an increase in animosity towards the USA to the Asian economic crisis. Nijssen and Douglas (2004) suggested that animosity towards foreign countries would often stem from general fears of economic dominance.

Turning to the effect of age, existing empirical evidence is inconclusive. Shimp *et al.* (2004) investigated the lingering influence of the American Civil War on contemporary consumer behaviour in the USA. A study conducted in China found that residents of Nanjing had a strong animosity towards Japan, regardless of their age (Klein *et al.*, 1998), but others studies carried out in the USA found that it was older Americans, with direct experience of the Second World War II, who were most likely to display anti-Japanese animosity (Klein and Ettenson, 1999; Klein, 2002). Similarly, Hinck (2004) found that the purchase behaviour of Germans living in the Neue Bundesländer that had been part of East Germany before 1990 was more likely than the younger citizens of modern Germany to be affected by a strong residual East German nationalism.

Given the strategic importance of understanding the nature of consumer animosity, our own study will examine the extent to which the proposed research model is affected by these intervening variables. Five related hypotheses were tested:

- H6a.* The effect of economic hardship in Taiwan on consumer animosity towards China is moderated by: perceived economic threat; and respondent age.
- H6b.* The effect of economic hardship in Taiwan on consumer animosity towards Japan is moderated by: perceived economic threat; and respondent age.
- H7a.* The effect of normative influence in Taiwan on consumer animosity towards China is moderated by: perceived economic threat; and respondent age.
- H7b.* The effect of normative influence in Taiwan on consumer animosity towards Japan is moderated by: perceived economic threat; and respondent age.
- H8a.* The effect of consumer animosity in Taiwan on judgments about the quality of Chinese products is moderated by: perceived economic threat; and respondent age.
- H8b.* The effect of consumer animosity in Taiwan on judgments about the quality of Japanese products is moderated by: perceived economic threat; and respondent age.
- H9a.* The effect of judgements about the quality of Chinese products on Taiwanese consumers' intention to purchase is moderated by: perceived economic threat; and respondent age.
- H9b.* The effect of judgements about the quality of Japanese products on Taiwanese consumers' intention to purchase is moderated by: perceived economic threat; and respondent age.

H10a. The effect of consumer animosity in Taiwan on intention to purchase Chinese products is moderated by: perceived economic threat; and respondent age.

H10b. The effect of consumer animosity in Taiwan on intention to purchase Japanese products is moderated by: perceived economic threat; and respondent age.

3. Methodology

3.1 Research objectives

The three key research objectives of our study were to:

- RQ1.* Define and explain the antecedents of consumer animosity, and relate that construct to economic hardship and interpersonal normative influence.
- RQ2.* Measure the influence of Taiwanese animosity towards China and Japan on consumption behaviour.
- RQ3.* Assess the extent to which the strength of the relationships among those theoretical constructs are moderated by consumers' perceptions of "economic threat" and by their age.

Summarising Section 2, Figure 1 shows the five research constructs, the two moderating variables, and causal links proposed in the ten research hypotheses. Data collected by questionnaire were to be analysed by structural equation modelling, and ten hypotheses tested.

3.2 Sample selection

As the first step in recruitment of the eventual respondents, a standard systematic quasi-random sampling procedure was applied to a list of schools obtained from the

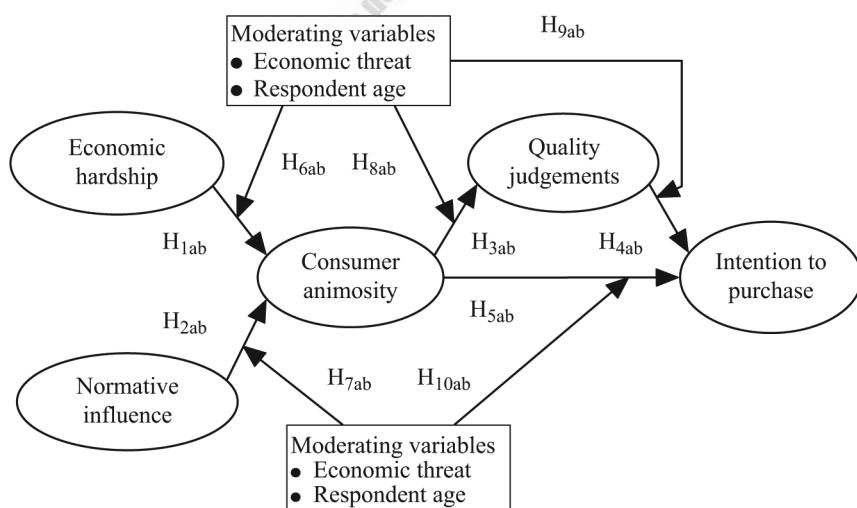


Figure 1.
Research constructs and hypotheses

Ministry of Education in Taiwan. It had yielded a sample of 650 pupils attending six primary and three secondary schools, located in all four main administrative districts of Taiwan, each of whom was given a survey questionnaire to be taken home to their parents for self-completion. Of the 512 questionnaires returned, 56 were incomplete and therefore excluded, leaving 456 data sets for subsequent analysis. The usable response rate is thus a satisfying 70 percent.

The use of intermediaries in this way as the vehicle for recruitment of the eventual sample replicates the method used by Sharma *et al.* (1995) to collect data from consumers in Korea, which was endorsed by publication in the *Journal of the Academy of Marketing Science*. To control for the possibility of sampling bias at this stage in the process, if some pupils did not in fact hand over the questionnaires, government population statistics (www.stat.gov.tw) were compared with the sample profile. Chi-squared goodness-of-fit tests showed no significant difference between the two sets ($\chi^2 = 4.02_{\text{area}}$, $df = 3$, $p > 0.05$). The research sample is thus acceptably representative of the target population.

As a further check against non-response bias, late returns were compared with earlier responses, following Armstrong and Overton (1977). There were no significant differences between the two sub-samples for age or education level ($p = 0.572$ and 0.174, respectively).

Table I shows that more than half of the respondents who returned usable questionnaires were under 40 years of age, and one in five of them over 45. The male/female split was close to 50/50. Four in five had more than a secondary school education, and 24 percent had gone on to tertiary level.

Demographic variables	n	%
<i>Age</i>		
Under 35	98	21
36-40	144	32
41-45	123	27
46 and over	91	20
<i>Gender</i>		
Male	214	47
Female	242	53
<i>Terminal education</i>		
Less than secondary school	66	15
High school	189	41
College	91	20
Over university	110	24
<i>Household monthly disposable income^a</i>		
Under US\$600	199	44
US\$601-1,200	168	37
Over US\$1,200	89	19

Table I.

Sample characteristics

Note: ^aConversion rate for NT\$ to US\$ = 1:0.0308 in March 2006

3.3 Questionnaire design

The questions to be put to respondents, to collect data that could be used to model the constructs contained in hypotheses 1 to 5, were adapted from relevant earlier studies by Bearden *et al.* (1989), Barrera *et al.* (2001), Klein (2002) Klein *et al.* (1998), Nijssen and Douglas (2004), Shoham *et al.* (2006) and Sharma *et al.* (1995). To ensure accurate rendition of the originals in Chinese, a bilingual colleague translated the draft questions from the original English, and a second translated it back to English. This "back-translation" procedure follows the methodological lead of a published study in which the issue of "conceptual equivalence" is addressed (Bhalla and Lin, 1987) and the guidelines in a standard textbook (Douglas and Craig, 1983). Comparison of the original and back-translated versions resulted in some modification to ensure comprehension by the eventual respondents.

Respondents used seven-point Likert scales to express their agreement or disagreement (1 = Strongly agree; 7 = Strongly disagree) with statements relating to the five main constructs shown in Figure 1.

The order of the questions followed that in a research study by Klein (2002). The aim was to reduce possible bias in respondents' evaluations of product quality and intention to purchase if questions about consumer animosity came earlier in the sequence. In addition, country cues were randomized in the questionnaires.

3.4 Operationalising the constructs

Consumer animosity. This construct was measured by the animosity scale developed and validated by Klein (2002) in the USA and Klein *et al.* (1998) in China. The nine items of the original comprised three relating to a second-order construct, general animosity, and six relating to two first-order constructs, animosity with military and economic causes. Pilot testing of the questionnaire and semi-structured interviews with Taiwanese consumers revealed differing opinions with regard to the first-order constructs, but no significant differences in respect of general animosity. Klein's three-item measure of general animosity was therefore adapted to:

- (1) "I dislike the Japanese/mainland Chinese."
- (2) "I feel angry towards the Japanese/mainland Chinese."
- (3) "Japan/China is taking advantage of Taiwan."

Normative influence. The statements relating to this construct were adapted from a study by Bearden *et al.* (1989), who developed an eight-item measure susceptibility to interpersonal normative influence. That was reduced to four statements, in response to the outcome of pilot studies and semi-structured interviews with Taiwanese consumers:

- (1) "It is important that others like the products (and brands) I buy,"
- (2) "I like to know what products (and brands) make good impressions on others,"
- (3) "I achieve a sense of belonging by purchasing the same products (and brands) they purchase."
- (4) "I often identify with other people by purchasing the same products (and brands) they purchase."

Economic hardship. The statements relating to this construct were adapted from a study by Barrera *et al.* (2001), which used a four-item scale to produce a composite measure of perceived economic hardship. The questions put to the respondents in our study contained the key phrases:

- (1) “reductions in the family’s standard of living over the coming three months”;
- (2) “difficulty in paying bills at the end of the month”;
- (3) “not having enough money for clothing over the past three months”; and
- (4) “planning to apply for government assistance within the next three months”.

Judgment of product quality. For this construct, statements were adapted from questionnaires used by Klein *et al.* (1998), Klein (2002), and Nijssen and Douglas (2004). Three items resulted:

- (1) technological advancement;
- (2) product reliability; and
- (3) value for money.

The corresponding statements put to respondents were that products made in China or Japan:

- “show a very high degree of technological advancement”;
- “are usually quite reliable and seem to last the desired length of time”; and
- “are usually good value for money”.

Intention to purchase. A three-item measure of this construct was adapted from Klein *et al.* (1998) and Shoham *et al.* (2006). Respondents were asked to rate their intention to purchase Chinese and Japanese products by responding to these statements:

- (1) “I would feel guilty if I bought a Chinese/Japanese-made product”.
- (2) “Whenever possible, I avoid buying Chinese/Japanese products”.
- (3) “I do not like the idea of owning Chinese/Japanese-made products”.

Moderating variable: perceived economic threat. A single statement and dichotomous answer measured this construct. Following Sharma *et al.* (1995) respondents were asked whether or not they agreed that “the present recession is due to the extensive amount of foreign competition”. The possible responses of 1 = Yes and 0 = No were taken as representing “high” and “low” levels of perceived threat respectively.

Moderating variable: age. Table I shows that a normal distribution of ages across the four classification brackets, with 59 percent of the 456 respondents between 36 and 45 years old. For the purposes of investigating this effect, the data were allocated to one of two sets above and below the rounded median age of 40.

3.5 Data analysis

Reliability analysis was conducted on the five main constructs to be measured, as shown in Figure 1:

- (1) consumer animosity;
- (2) normative influence;

- (3) economic hardship;
- (4) judgment of product quality; and
- (5) intention to purchase.

The Cronbachs' alpha coefficient was greater than 0.75 in every case, indicating acceptable internal consistency (Nunnally, 1978). Table II presents the reliability and validity statistics for the five constructs investigated.

The data were to be analysed by structural equation modelling. Although slightly stronger correlations were found among some independent variables, it has been argued (for example by Seo, 2005 and Kline, 2006), that this technique may properly be used to measure intercorrelations among predictors so long as no multicollinearity is present. Therefore, four regression models were constructed, in which quality judgment and intention to purchase with respect to Chinese and Japanese origin were the dependent variables. The maximum variance inflation factor in all cases was less than 1.743, and the average less than 1.379, indicating that multicollinearity was not unduly influencing the least squares estimates (Neter *et al.*, 1985).

Before analysis, the data were screened for possible outliers and missing or out-of-range values. No outliers were found. Missing values were estimated by the EM-algorithm in the missing value analysis module of SPSS 11. The result of $p = 0.008$ is above the suggested value of $p > 0.000$ (Arbuckle, 1996).

With preliminary checks complete, the data were analysed by LISREL 8.72. All measures were analyzed for reliability and validity, in accordance with the guidelines set out by Jöreskog and Sörbom (1993). Confirmatory factor analysis assessed the correspondence of all items with their respective latent variables. Every construct in the measurement model was treated as a separate reflective measure. The resulting indices, 116.828_{Chn} [$d.f. = 101$, $\chi^2/d.f. = 1.16$] and 100.952_{Jpn} [$d.f. = 86$, $\chi^2/d.f. = 1.17$], indicate that the model fits the data well.

	1	2	3	4	5	6	7	8	Alpha ^a	CR ^b
1. Hardship	<i>0.59^c</i>								0.85	0.85
2. Normative	0.48*	<i>0.49</i>							0.79	0.79
3. Animosity _{Chn}	0.50*	0.61*	<i>0.76</i>						0.91	0.90
4. Animosity _{Jpn}	0.53*	0.51*	0.62*	<i>0.80</i>					0.92	0.92
5. Judgment _{Chn}	-0.36*	-0.26*	-0.29*	-0.19*	<i>0.67</i>				0.83	0.83
6. Judgment _{Jpn}	-0.44*	-0.24*	-0.24*	-0.34*	0.29*	<i>0.80</i>			0.88	0.92
7. Purchase _{Chn}	-0.38*	-0.30*	-0.34*	-0.22*	0.51*	0.27*	<i>0.71</i>		0.92	0.88
8. Purchase _{Jpn}	-0.49*	-0.29*	-0.26*	-0.43*	0.27*	0.58*	0.27*	<i>0.77</i>	0.91	0.91
Mean	3.64	4.15	3.89	3.29	3.41	5.01	3.15	4.53		
SD	1.57	1.49	1.70	1.60	1.25	1.38	1.49	1.61		

Notes: * = $p < 0.05$; n = 456

Animosity_{Chn}, Judgment_{Chn} and Purchase_{Chn}: answers relate to China; Animosity_{Jpn}, Judgment_{Jpn} and Purchase_{Jpn}: answers relate to Japan

^a Internal Consistency Reliability: Cronbach's alpha coefficient; ^b Composite Reliability (Fornell and Larcker, 1981); ^c Diagonal values in italic show average variance extracted (Fornell and Larcker, 1981) for each construct

Table II.

Descriptive statistics; reliability, validity, and correlation coefficients

Given that the questionnaires used to collect the data were self-completed by respondents, it is possible that monomethod bias could have affected the validity of the data. Therefore, four different measurement models were constructed, using the single-method-factor approach advocated by Podsakoff *et al.* (2003) and Shoham *et al.* (2006): two each for “consumer animosity to Chinese products” and “consumer animosity to Japanese products”. One corresponded to our own model; the other allowed all items to load on a single factor.

The results for the monomethod models were:

χ^2 446.153_{Chn} [d.f. = 166, $\chi^2/d.f.$ = 2.69] and 475.891_{Jpn} [d.f. = 163, $\chi^2/d.f.$ = 2.92];

p-values 0.000_{Chn} and 0.000_{Jpn};

NFI 0.962_{Chn} and 0.963_{Jpn}; CFI 0.975_{Chn} and 0.974_{Jpn};

RMSEA 0.061_{Chn} and 0.065_{Jpn}.

Those for the second model showed lower chi-square values and superior fit indices:

χ^2 116.828_{Chn} [d.f. = 101, $\chi^2/d.f.$ = 1.16] and 100.952_{Jpn} [d.f. = 86, $\chi^2/d.f.$ = 1.17];

p-values 0.134_{Chn} and 0.129_{Jpn};

NFI = 0.986_{Chn} and 0.989_{Jpn}; CFI 0.998_{Chn} and 0.998_{Jpn};

RMSEA = 0.019_{Chn} and 0.020_{Jpn}.

It was therefore concluded that common-method bias was not likely to compromise the findings of the study, and the monomethod models were duly rejected in favour of the proposed models.

Convergent validity was confirmed in all cases by the ranges of all factor loadings and the measurement errors, which were both acceptable and significant at alpha = 0.05. Content validity had already been established by interviewing experts and pilot-testing the questionnaire, to control for consistency between the measurement items and the precedents in the literature reviewed. Following the recommendation of Churchill (1979), convergent and discriminant validities were also tested for the four antecedent constructs. The former was assessed by examining composite reliability of the measures (Hair *et al.*, 2006), which ranged from 0.79 and 0.92 against Hair's recommended minimum values of 0.70. Discriminant validity was assessed by measuring the average variance extracted statistic (Fornell and Larcker, 1981), which varied between 0.49 and 0.80, higher in every case than the largest squared pairwise correlation of 0.38 between each construct (Espinoza, 1999).

To sum up, the items and scales exhibited acceptable levels of reliability and validity, as confirmed by the summary statistics shown in Table II.

4. Results

4.1 Main model

Table III presents the results of structural equation modelling for both the independent and dependent constructs. The values shown for the chi-squared statistic, the comparative and normed fit indices (CFI and NFI) and the root mean square error of

Paths	Hypotheses	Estimate	S.E.	t-value
<i>Animosity towards Chinese products^a</i>				
Hardship → Animosity	H_{1a}	0.32	0.07	4.59*
Normative influence → Animosity	H_{2a}	0.49	0.07	7.31*
Animosity → Product quality judgments	H_{3a}	-0.43	0.06	-6.65*
Product quality judgments → Purchase intention	H_{4a}	0.54	0.06	9.17*
Animosity → Purchase intention	H_{5a}	-0.18	0.04	-4.24*
<i>Animosity towards Japanese products^b</i>				
Hardship → Animosity	H_{1b}	0.60	0.07	8.23*
Normative influence → Animosity	H_{2b}	0.17	0.06	3.10*
Animosity → Product quality judgments	H_{3b}	-0.46	0.07	-7.00*
Product quality judgments → Purchase intention	H_{4b}	0.58	0.07	7.93*
Animosity → Purchase intention	H_{5b}	-0.57	0.08	-6.97*

Notes: *Significant at the $p < 0.05$ level; All estimates are unstandardised; ^a χ^2 (100 d.f.) = 124.058; p -value = 0.052; RMSEA = 0.023; NFI = 0.985; CFI = 0.997; Standardized RMR = 0.040; GFI = 0.969; AGFI = 0.952; ^b χ^2 (86 d.f.) = 106.057; p -value = 0.070; RMSEA = 0.023; NFI = 0.988; CFI = 0.998; Standardized RMR = 0.032; GFI = 0.973; AGFI = 0.953

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Table III.
Structural parameter
estimates and
goodness-of-fit indices for
the full model

approximation (RMSEA) offer convincing evidence, suggest that the overall fit of the proposed model is satisfactory.

An alternative model was also formulated, which specified economic hardship as the antecedent variable of normative influence. A comparison of the two specifications found the original to have the same degrees of freedom and a lower chi-squared statistic ($\chi^2 = 147.100_{\text{Chn}}$ and 112.855_{Jpn} ; $df = 100_{\text{Chn}}$ and 86_{Jpn}), suggesting that it is superior to the alternative, and confirming that the original proposed model reliably explains the observed covariances and variances among the study constructs. Overall, relationships are in the direction hypothesized.

The estimates, standard errors and t -values shown in rows 1 and 6 of Table III confirm that, as predicted, the level of perceived economic hardship is positively related to the degree of consumer animosity towards both China and Japan. This finding provides support for H_{1a} and H_{1b} . In other words, respondents who felt to be suffering economic hardship and blamed China and Japan were more hostile towards those countries than other Taiwanese consumers in the sample.

Likewise, the statistics in rows 2 and 7 demonstrate that normative influence on respondents has a significant positive impact on the level of Taiwanese consumer animosity towards both China and Japan. Thus, both H_{2a} and H_{2b} are supported. In other words, the behaviour and values of members of a respondents reference group plays a crucial and dominant role in the generation of consumer animosity.

Support for H_{3a} and H_{3b} is furnished by the estimates, standard errors and t -values in rows 3 and 8 of Table III, which show that consumer animosity towards China and Japan had a significant and negative impact on judgments of the product quality of products made there. The corresponding statistics, in rows 5 and 10, which show an equally clear influence on intention to purchase Chinese or Japanese products. Thus, the level of animosity towards China and Japan displayed by the respondents was a significant factor in their quality judgments and purchase intentions.

Lastly, the statistics shown in row 4 of the Table demonstrate a significant relationship between respondents' judgments about the quality of products coming into Taiwan from China and their intention to purchase them, while those in row 9 confirm the same effect with respect to products from Japan. H_{4a} and H_{4b} are thus also supported. In fact, judgments of product quality based on country of origin were found to be a particularly strong predictor of intention to purchase.

4.2 Moderating variables

While the results just reported shed important light on the antecedents and consequences of consumer animosity, the research plan called for further refinement via the investigation of two possible moderating effects: respondents' perceptions of economic threat emanating from China and Japan, and their own age.

Table IV shows that neither of these potential moderators has a significant difference with respect to the effects of:

- economic hardship or normative influence on animosity towards China;
- animosity on judgment of the quality of Chinese-made products or on intention to purchase; and
- judgment of quality on intention to purchase Chinese imports.

In short, H_{6a} to H_{10a} were not supported.

However, the pattern is somewhat different with respect to Japan and its products. The results for respondents who perceived a high level of economic threat from that direction are almost identical to the general results, except for the relationship between animosity and judgment of product quality, which is not significant. In contrast to the results relating to China, the responses of those who perceived a low level of economic threat from Japan show that animosity has a significant effect on quality judgments. Thus, H_{8bi} is supported. Similar to the "high threat" group, economic hardship within the "low threat" group was shown to have a significant effect on animosity, and the effect of quality judgments on purchase intention is also significant. Thus, both H_{6bi} and H_{9bi} are rejected. A further difference in the case of the "low threat" group is that animosity was not found to be linked to normative influence, and did not directly influence intention to purchase. H_{7bi} is thus supported, but H_{10bi} is not. This pattern of results across two groups seemed to be consistent with Realistic Group Conflict Theory, in that outcomes depend on the level of perceived threat.

Turning to the age of the respondent as a possible moderator of Taiwanese consumer animosity towards Japan and its products, Table IV shows that the causal path from normative influence through animosity to intention to purchase was non-significant for over-40 "senior" respondents, only, which supports H_{7bii} and H_{10bii} . Differences between those over 40 and under 40 were insignificant, and H_{6bii} , H_{8bii} and H_{9bii} are therefore rejected. These findings suggest that older Taiwanese tend to display less animosity towards Japan than their younger counterparts, somewhat contradicting a thread in the literature.

5. Discussion and conclusion

Our study has examined the antecedents of consumer animosity and its impact on the attitudes of Taiwanese consumers towards China and Japan, thus answering the call for application of the animosity construct in countries beyond the USA and its ambit

Paths	Hypotheses	Threat		Hypotheses	Junior (n ₁ = 242)	Age Senior (n ₂ = 214)
		Low (n ₁ = 220)	High (n ₂ = 236)			
<i>Animosity toward Chinese products^a</i>						
Hardship → Animosity	H _{6ai}	0.22*	0.39*	H _{6ai}	0.26*	0.19*
Normative influence → Animosity	H _{7ai}	0.56*	0.46*	H _{7ai}	0.56*	0.61*
Animosity → Product quality judgments	H _{8ai}	-0.43*	-0.41*	H _{8ai}	-0.29*	-0.22*
Product quality judgments → Purchase intention	H _{9ai}	0.46*	0.61*	H _{9ai}	0.56*	0.55*
Animosity → Purchase intention	H _{10ai}	-0.21*	-0.15*	H _{10ai}	-0.22*	-0.29*
<i>Animosity toward Japanese products^b</i>						
Hardship → Animosity	H _{5bi}	0.53*	0.75*	H _{6bi}	0.64*	0.58*
Normative influence → Animosity	H _{7bi}	0.06	0.32*	H _{7bi}	0.17*	0.14
Animosity → Product quality judgments	H _{8bi}	-0.50*	0.85	H _{8bi}	-0.61*	-0.64*
Product quality judgments → Purchase intention	H _{9bi}	1.17*	1.14*	H _{9bi}	0.74*	1.20*
Animosity → Purchase intention	H _{10bi}	-1.11	-1.60*	H _{10bi}	-0.19*	0.03

Notes: *Significant at the $p < 0.05$ level; All estimates are unstandardised; ^aThreat subgroup: χ^2 (225 d.f.) = 279.199; RMSEA = 0.033; NFI = 0.965; CFI = 0.992. ^bAge subgroup: χ^2 (228 d.f.) = 297.362; RMSEA = 0.024; NFI = 0.968; CFI = 0.995; Threat subgroup: χ^2 (211 d.f.) = 250.641; RMSEA = 0.029; NFI = 0.988; CFI = 0.993. Age subgroup: χ^2 (225 d.f.) = 260.130; RMSEA = 0.026; NFI = 0.971; CFI = 0.994.

Table IV.
Structural parameter
estimates and
goodness-of-fit indices for
two-group comparison:
economic threat and
respondent age

(Batra *et al.*, 2000; Balabanis *et al.*, 2001), and specifically those with a controversial military, economic and diplomatic history (Klein *et al.*, 1998).

It has been found that, among consumers in Taiwan, such animosity takes the form of prejudice and discrimination directed at “out-groups”, often grounded in the perception that any loss by their “in-group” has been the out-group’s gain. Moreover, the results indicate that such perceptions are heightened as in-group identity and out-group animosity increase. This suggests that consumer animosity is manifested not only as antipathy and hostility towards an out-group but also as sensitivity to a perceived threat from that direction.

The testing of five specific hypotheses confirmed expectations, and provides several insights into the applicability of the animosity model of foreign-product purchasing behaviour. First, economic hardship was found to be a significant antecedent of consumer animosity towards China and Japan. Drawing on Realistic Group Conflict Theory literature, we have developed a theoretical framework showing how and why a perceived out-group threat has increasingly been treated by Taiwanese consumers as a loss for their in-group, enhancing prejudice and animosity.

Second, Social Identity Theory and Realistic Group Conflict Theory together predict that the effect of such a perceived threat is to strengthen identification and solidarity within the in-group, and thus enhance normative influences on its members, who seek to take a lead from their “referents” in the group. Structural equation modelling of the data gathered by questionnaire from Taiwanese consumers has shown that such normative influence is significantly and positively related to animosity, in this case towards China and Japan. This finding supports the research model and also suggests that consumers with high “susceptibility to normative influence” are most likely to believe that their “referents” have negative opinions of the out-group in question.

Third, the study has found that effect of animosity towards China and Japan on consumers’ intentions to purchase products originating there is likely to be mediated by their judgments about the quality of those products. This is consistent with a recent finding in the Middle East, reported in the Literature Review, but contradicts several other, earlier studies. There are many possible interpretations. Animosity, amounting to hostility, may be a more complex phenomenon than the simple descriptions imply. While memories of Taiwan’s suffering under the half-century of Japanese occupation (see Appendix) are strong, and feelings can therefore run high, the two countries unarguably enjoy a close economic relationship. Similarly, the ethnic, cultural and geographical ties with mainland China, so obvious to the outside eye, have been severely compromised by political, economic, and military conflict. Both of these histories are long and comparatively recent, and their impact will be particularly strong among Taiwanese alive during either or both periods, which may in turn be the source of the “normative influence” tested in the study. Given that several issues contributing to increased animosity are ongoing, the effect of consumer animosity on judgments of product quality and on purchase intentions can still be powerful. Social Identity Theory and Realistic Group Conflict Theory predict that it will be difficult for consumers who feel hostility to China or Japan not to denigrate Chinese and Japanese products and refuse to buy them.

Beyond the causal paths proposed in our model, it was found that neither respondents sense of an economic threat emanating from China or Japan, nor their age had much detectable effect on the degree of animosity towards those two countries.

Though the comparative irrelevance of age is intuitively unexpected, for reasons explained in the previous paragraph, the fact is that feelings can run high among the young as well as the old. A study of attitudes to the Japanese among residents of Nanjing, conducted ten years ago and reported in the Literature Review, is a case in point. One possible explanation may again be that the issues underlying the animosity are ongoing. Another is that an unstated motive may be the fear of unemployment sparked by the success of foreign imports, which has provoked much anti-Japanese sentiment in the USA and is at the root of attitudes to economic migrants in Europe.

In the particular case of Taiwanese animosity towards Japan, the causal path between normative influence on animosity and animosity on purchase intention is insignificant among older consumers and those who feel a relatively low level of economic threat. A potentially important implication is that Japan, as an economically developed country, may enjoy a better country image among a proportion of Taiwanese consumers, which in turn reduces the level of animosity. One explanation of this slightly unexpected finding may be that older consumers simply have less strong feelings about the Japanese colonial period. A less likely explanation is the so-called "Lee Teng-hui factor" (Wang, 2000, p. 358; Zha, 2001). Lee, president of Taiwan from 1988 to 2000, was educated in Japan and speaks fluent Japanese, and actively promoted stronger unofficial ties with Japan during his terms in office. His influence continued after he retired, and aroused nostalgia for the Japanese colonial era among older citizens.

The results of our study confirm previous findings that consumer animosity towards a country engenders reluctance to purchase its products, and that consumers often harbour animosities towards several countries for different reasons. It has highlighted three key issues.

First, real life pressures always present in a consumers' mind can be expected to result in animosity towards countries perceived to be "the out-group". The positive relationship between economic hardship and animosity suggests that negative attitudes can be reduced only by an improved standard of living within the in-group. Second, consumers with particular susceptibility to normative influences are more likely to exhibit hostility towards a foreign country, suggesting that interpersonal influence plays a pivotal role in creating "consumer animosity", and that it is therefore important to identify the "referents" who exert the influence. Third, the effects of consumer animosity on judgment of product quality and intention to purchase appear to be dependent on each other, despite the fact that previous literature has indicated otherwise. This implies that animosity results in denigration of foreign products, probably due to a high level of perceived threat, and that the eventual outcome will be internal solidarity and coherence against the "offending" country.

6. Managerial implications

Our findings have several implications for international marketing management practice.

First, they show that the existence of "consumer animosity", as defined in the literature, had a negative influence on respondents' judgments about product quality, contradicting the previous general assumption that it did not. Results in our study suggest that domestic consumers will reject foreign product not only because of historical animosity towards the country of origin, but also because its national image

may precipitate negative reactions. Marketing strategists would be well advised, therefore, to identify market segments containing probable high-animosity consumers, and to target them with a communication strategy that separates the image of the product from that of its country of origin, and emphasizes distinctive features that have no national or cultural “baggage”.

Second, our in-depth three-country examination of consumer animosity has found that perceived economic hardship and the normative influence of a consumers “in-group” both predict animosity, which in turn affects product quality judgments and purchase intentions. Properly applied and manipulated by marketing planners, this insight into the antecedents of rejection can yield more effective marketing strategies. Consumer choice might be influenced favourably, for example, by communicating the more positive aspects of the target society and economy, as a means of reducing its level of consumer animosity. Moreover, the knowledge that susceptibility to normative influence is a strong predictor of animosity suggests that advertising and promotional campaigns could profitably employ salient spokespersons, role models and opinion leaders to “defuse” natural animosity.

Third, this study and others in future that manipulate proposed antecedents will provide stronger marketing intelligence about the constructs that actually underpin consumer animosity and, in so doing, contribute to the development of a coherent theory of consumer animosity.

Finally, export marketing strategists should quite simply be aware of consumer animosity and alert to it, for it seems to translate automatically into bias and prejudice towards foreign countries of origin, and thereby to erect a substantial barrier to entry into an overseas market. In particular, they should recognize the age of the consumers in the target market would moderate their reactions to imported products, as will their age, in a less than straightforward way. For instance, it seems that older and more affluent Taiwanese exhibit surprisingly relaxed attitudes towards Japanese products. The possibility thus beckons to mitigate the impact of domestic consumer animosity by deliberate and sophisticated market segmentation. The extent to which that can be achieved depends, however, on the shared history of the country of origin and the target market.

7. Limitations and future directions

The findings reported in our study derive from a non-probability sample, which raises the issue of potential selection bias. The school pupils used as the “delivery vehicle” for questionnaires to be eventually completed by adults in their families were selected by an accepted quasi-random procedure from all four main administrative districts of Taiwan, and tests show that the profile of the eventual respondents is not significantly different to the national population statistics. Nevertheless, it is not certain that some sections of Taiwan’s consumer society were not accidentally excluded from the sample, since the chance of selection was not absolutely uniform: for instance, families in remote country areas or the smaller islands that are normally included in the slightly nebulous concept of “Taiwan” (see Appendix). Our findings and conclusions should therefore be treated with appropriate caution, as is in the case in most social surveys.

With that proviso, the findings suggest that animosity effects are more complex than previously believed. The related constructs included in this research, though pointing the way forward in development of a coherent conceptual framework, should

be seen only as a snapshot. Our review of the literature made it clear that such other variables as nationalism, patriotism, consumer activism or environmentalism may need to be taken into account. For instance, an author whose work is not specific to this field and therefore does not appear in the Literature Review, asserts that "nationalists" of any kind are likely to be more competitive, militaristic, aggressive and prejudiced towards other countries and ethnic groups (Druckman, 1994). These character traits would be expected to influence their consumption decisions, and future research models should therefore build in such variables.

Our study has not established unequivocally that economic hardship and normative influence are indeed antecedents of animosity, as distinct from simply correlates. For example, it is possible that owning a product of Japanese or mainland Chinese origin might reduce animosity towards those countries, as some other authors have pointed out. Our model has tacitly assumed antecedent relationships, and demonstrated the links fairly convincingly, but more research is needed to establish that these constructs actually result in animosity, which might use an experimental design to investigate likely causal direction.

The consumer animosity literature has so far been limited to a handful of studies conducted mainly in developed countries. Whether the concept is applicable to other settings, such as the very different cultures in the developing world, remains uncertain. In particular, further studies could add to understanding and interpretation of the role of consumer animosity and normative influence in shaping consumer choice across product categories and in countries with difficult economic, military and political relationships with one another.

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Appendix. The root causes of Taiwanese animosity towards China and Japan

Taiwan, once known as Formosa, is an island off the coast of mainland China. Its population is almost 23 million, contained in an area of roughly 45,000 km². With four adjacent small islands, it

is governed by the *Republic of China* ("ROC"). However, the People's *Republic of China* ("PRC") also lays claim to Taiwan, although it has never formally controlled it during its own history. The claim is justified by the argument that the PRC succeeded the ROC in 1949, and the ROC in fact ruled Taiwan only for four years from 1945 to 1949, before which it had been a Japanese colony.

In the body of this article, the People's Republic of China is referred to, for convenience, as "China" or "Mainland China"; here, for the sake of absolute clarity, the description "PRC" will be retained.

Taiwan's animosity towards the PRC has its origins in the events of early 1947, when the mainland-based Nationalists suppressed a riot provoked by their regime's endemic corruption and its inattention to the needs of its Taiwanese citizens (Hughes, 2001). Thousands of civilians were killed; many more were arrested or imprisoned, or simply disappeared. The consequence was a deep-seated bitterness about the "mainlander regime", and by extension an animosity to "mainlanders" in and from China (Hughes, 2001; Wang, 2004). During the 1980s and 1990s, the democratization process in Taiwan, and increased national assertiveness, resulted in inevitable confrontation with the PRC (Ross, 2006), which responded by deploying missiles across the Taiwan Strait and accelerating its own military modernization (Rich, 2005; Ross, 2006). In 1996, several missile tests were conducted close to Taiwan, provoking the USA to send two aircraft carriers into the vicinity (Lieberthal, 2005). Today, several hundred PRC missiles are still aimed at the island (Ross, 2006).

Election of a member of the independence-minded opposition Democratic Progressive Party to the presidency in 2000 further strained Taiwan's relationship with the PRC, which reacted by pursuing a more active policy of diplomatic isolation, cutting off Taiwan's alliances and membership of international bodies as much as possible (Saunders, 2005; Wang, 2004). In 2005, it passed a "secession" law, which could provide the legal basis for a military attack on the ROC (Tucker, 2005).

The recent rapid growth of China's economy has had some significant and positive impact on Taiwan's domestic economy (Ross, 2006; Stokes, 2002). Taiwanese investment in the PRC accounted for about 70 percent of its total outward investment in the first six months of 2006: the equivalent of US\$ 50.8 billion (Nystedt, 2006). By conservative estimates, investors have set up more than 30,000 factories on the mainland, creating at least 3 million jobs for mainlanders (Marquand and Ide, 2001). They continue to invest heavily in the PRC, raising the prospect that domestic employment will be steadily eroded (Calbreath, 2004; Nanto and Chanlett-Avery, 2006).

However, Taiwan's growing economic dependence on the PRC as well as the cheap imports flooding the local market have exasperated many Taiwanese (Saunders, 2005). Those have been perceived as key reasons for the country's falling economic growth rate and rising unemployment. For example, after a long period in which the latter figure was as low as 1.4 percent, it rose to almost 4.0 percent in 2006 in the wake of the relaxation barriers to trade with the PRC in the 1990s (Callbreath, 2004; MOEA, 2007). These facts have fed the perception of many Taiwanese that the PRC is, at least partly, responsible for "hollowing out" Taiwan's economy and wealth. Not surprisingly, attitudes are negative towards a country that was now seen as an economic threat as well as a political one.

Japan

Taiwan lies relatively close to Japan, southwest of its main islands but directly west of the end of the Ryukyu Islands, and experienced Japanese occupation between 1895 and 1945. Sporadic unrest and resistance persisted throughout that period. The Japanese response was harsh, placing high priority on establishing domestic law and order by putting down anti-Japanese uprisings (Roy, 2003).

Though Taiwan made progress on the economic and education fronts under the Japanese administration, there was a cultural price to be paid by its people. As well as authoritarian rule and unfair treatment of local citizens, strict assimilation policies were implemented (Rubinstein,

1999). Since most of these measures contradicted deeply rooted local Chinese cultural traditions, they were met with passive resistance (Chen, 1968; Chou, 1991). In recent years, some young Taiwanese have shown a positive attitude to Japanese popular culture, as exemplified by Hello Kitty and the Doraemon Nihon junkies (Lam, 2004).

Although Japan today is Taiwan's major source of high technology, and arguably one of its main trading partners, a number of tensions still exist between the two countries. For example, trade friction is engendered by Japan's significant trade surplus with Taiwan every year, which was approximately US\$30 billion in 2006 (MOEA, 2007). There are also territorial disputes over the Diaoyu (Senkaku) Islands, which have aroused nationalistic consciousness in Taiwan and increased its animosity towards Japan (Ching, 1996). Most significant, perhaps, is the refusal of the Japanese government to resolve the issue of the "military comfort women": up to 200,000 Asian women who peopled the Japanese army's brothels during the Second World War. This has further inflamed animosity towards Japan (Fackler, 2007; Onishi, 2007).

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