The feelings of consumers toward foreign and domestic products have been a subject of interest to researchers working in the areas of consumer behavior and international marketing for decades. A concern for marketers is the development of concept and measures that will be useful in assessing consumer attitudes and preferences for both domestic and foreign products (Netemeyer, Durvasula & Lichtenstein, 1991). One such concept is consumer ethnocentrism (Shimp & Sharma, 1987) that has been suggested as a means of differentiating consumer groups who prefer domestic goods over imported goods. The more importance a person places on whether a product is made in his/her home country, the higher the ethnocentric tendency of that person exists.

It is well established that developed nations comprise an ever-shrinking part of the world’s economy (Wilson & Purushothaman, 2003). Developing and transition economies represent the next great opportunity for global growth (Klein, Ettenson & Krishnan, 2006). With this shift comes the need for global managers to understand the attitude toward foreign goods among consumers in developing and transition economies as well. Today, Indian consumer has great and variety of products to choose from both the foreign as well as domestic market. It would be worth examining the ethnocentric tendencies prevalent in an advanced developing country like India among the thriving middle-class population. Rietman (1993) says that the middle-class is a key to understand India’s consumer markets.

Data were collected from seven different occupational groups viz. MBA Students, Defence & Police Personnel, Engineers, Doctors, Managers, University Teachers and Management Teachers. This study is a pioneer as it has assessed the level of ethnocentrism on seven different occupational groups which to the researcher’s knowledge has so far not been examined in earlier studies. This research assesses the unidimensionality of the CETSCALE for different occupational groups followed by its reliability and validity. An attempt has been made to refine the CETSCALE for each of the occupational group. The relationship of ethnocentrism has been explored
with respect to demographic variables and Big-Five Personality traits. Also, the ethnocentric level prevalent in these occupational groups is compared to levels of ethnocentrism reported in other studies. It is expected that the findings of this study will provide a realistic insight into the dynamics of the concept of consumer ethnocentrism prevalent in Indian consumers and further provide significant managerial implications for both the domestic as well as foreign marketers. This thesis is divided into seven chapters which have been discussed below.

Chapter one gives an overview of the genesis of consumer ethnocentrism as a concept; highlights its relevance in the context of understanding the behavior of consumers. The current trends prevalent in the Indian market have been discussed. Further, the section on justification for the study is followed by a section on objectives of the study. Subsequently, the hypotheses formulated for the study are discussed followed by the expected benefits of the research.

Chapter two deals with literature on the concept of consumer ethnocentrism. It starts with a discussion on how this concept has evolved. It further discusses the development of CETSCALE to measure this concept. Later extant studies pertaining to the unidimensionality, reliability and validity of the scale are discussed. Also, the relationship of consumer ethnocentrism with other constructs has been examined. Further, the relationship of consumer ethnocentrism with various demographic variables has been discussed in detail, followed by its relationship with personality dimensions. Finally, the degree of ethnocentrism prevalent in different parts of the world has been discussed.

Chapter three begins with a brief explanation as to why there was a need to conduct this study followed by the objectives of the research. Next section discusses the rationale for selecting these occupational groups for the present study. The research design has been explained in detail covering the research instrument used in the study, pilot testing of the research instrument and steps involved in data collection. It also discusses the issue of dimensionality of CETSCALE, procedure involved in refining the CETSCALE and assessment of its reliability and validity. It includes section on relationship of ethnocentrism with demographic variables and personality traits; the prevalent levels of consumer ethnocentrism in India have been compared with previous studies. The sampling plan discusses in detail the methodology
adopted in generating responses from each of the occupational groups leading to the final sample obtained after data cleaning. The respondent characteristics have also been described in terms of demographics. The hypotheses generated for the purpose of achieving the objectives of the study are listed. Finally, the method of analysis adopted in the present research has been discussed followed by a section on limitations of this research.

Chapter four deals with the testing of hypotheses, analysis of primary data and interpretation for the selected occupational groups in India viz. MBA Students, Defence & Police Personnel, Engineers, Doctors, Managers, University Teachers, and Management Teachers. The chapter commences with a discussion of the sequence of analysis. The preliminary part of the analysis deals with assessing the dimensionality of the CETSCALE. Thereafter, the measurement model fits are estimated. Scale purification was the next step in the analysis. The reliability and validity measures of the modified CETSCALE were assessed. Then the relationship of consumer ethnocentrism with various demographic variables for each of the occupational groups was analyzed. An attempt, perhaps for the first time in the Indian context, has also been made to explore the relationship between Big Five Personality traits and ethnocentrism. Lastly, the CETSCORES obtained for each occupational group have been presented.

Chapter five presents a summary of the findings followed by discussion. Here, the findings of the data related to the dimensionality of the CETSCALE, its purification, reliability and validity of the modified CETSCALE for each occupational group, relationship with demographics as well as Big-Five Personality traits, are discussed. Finally the prevailing levels of ethnocentrism have been compared to those observed in previous studies in India and other parts of the world.

Chapter six presents the conclusions arrived at after analysis, interpretation and discussion. It also discusses various marketing implications that can be suggested to both domestic as well as foreign firms planning to address the Indian consumer. The last chapter i.e., Chapter seven includes the directions for future research.