The Role of Consumers’ Country Images and Country Biases in the Globalized Marketplace

A thesis submitted in fulfilment of the requirements for the degree of Doctor of Philosophy

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June 2018
Declaration

I certify that except where due acknowledgement has been made, the work is that of the author alone; the work has not been submitted previously, in whole or in part, to qualify for any other academic award; the content of the thesis is the result of work which has been carried out since the official commencement date of the approved research program; any editorial work, paid or unpaid, carried out by a third party is acknowledged; and, ethics procedures and guidelines have been followed. I acknowledge the support I have received for my research through the provision of an Australian Government Research Training Program Scholarship.

Florian Kock

Melbourne, June 2018
I. Overview of Journal Publications yielded by the Thesis


II. Tables

Table 1: Overview of studies, key constructs and research questions

Table 2: Conceptual characteristics of the DCM components

Table 3: ASV analysis of DY attributes for Germany and Spain

Table 4: Reliability and convergent validity of measured variables

Table 5: Statements yielded by the interviews

Table 6: Parameters of the TE scale

Table 7: Constructs used in the TE framework

Table 8: Association strength and valence analysis of DY attributes for the U.S.

Table 9: Path coefficients in the four structural models yielded by median splits

Table 10: Sample characteristics of Study 1

Table 11: Key threat dimensions and facets yielded by the interviews

Table 12: Hypothesized coefficients in the CXO framework

Table 13: Sample characteristics Study 2

Table 14: Summary of the studies in chapters two, three, four and five.

Table 15: Existing Country Bias Literature in Marketing and Tourism Research
III. Figures

Figure 1: The Country Image-Bias Duality Framework

Figure 2: The Destination Content Model (DCM)

Figure 3: Path Model Results for Germany and Spain

Figure 4: The TE framework: Structural equation modelling results

Figure 5: The CXO Framework

Figure 6: Testing the initial CXO framework (H1-H5)

Figure 7: Testing the extended CXO framework (H11-H14)
IV. Abstract

How do consumers orient themselves and form their preferences in the globalized marketplace? The present dissertation examines this question through two different, yet related, research angles. First, consumers can draw on the various mental representations they have stored in their minds about a particular country (i.e. country images). Second, consumers can derive preference and behavioral implications from positive or negative country biases that they harbor, often subconsciously, to a particular foreign country or their homeland. The existing literature on country images is extensive, yet significantly constrained by the ongoing conceptual and operational ambiguities that surround it. The present research solves many of these ambiguities for one of the most prominent and frequently used constructs in tourism research: destination image. Compared to the research of country images, the literature on country biases is still in its infancy. In tourism research, research on country biases is non-existent, making the present dissertation the first academic account thereof. Specifically, the construct of tourism ethnocentrism is conceptualized, operationalized and nomologically validated, thereby constituting an initial and timely contribution to understand the rise of patriotism the world over, and its consequences for tourism. Next, and in a related vein, a dearth of research on xenophobia in the marketing literature is identified, theoretically underpinned by seminal psychology research and empirically examined in multiple studies. This dissertation concludes by discussing the implications of the findings yielded herein for research, managers and policy-makers.
Chapter One: Introduction

In today’s globalized markets, consumers are exposed to a wide variety of products and services from different countries. Facing such a broader range of options and having limited knowledge about products, consumers are more likely to rely on the images they hold about countries associated with these products and services in order to make purchase decisions. Accordingly, in both tourism and marketing research, the images that consumers hold about a country have attracted significant research effort, documenting that country images have an important effect on tourists’ and consumers’ product preference and behavior (e.g., Baloglu and McCleary 1999; Maheswaran 1994; Josiassen, Assaf, Woo and Kock 2016; Verlegh, Steenkamp and Meulenberg 2005). While tourism research refers to country image that tourists use to inform their preferences as ‘destination image’, marketing researchers refer to it as ‘country-of-origin image’. Both fields have evolved separately through different literatures and research environments, yet existing research accounts have much in common, hence the rational to investigate both streams in one holistic dissertation.

While both destination image and country-of-origin image are among the most studied and most popular research domains in the area of tourism, respectively marketing research (Dolnicar and Grün 2013; Maheswaran, Chen and He 2013; Pike 2002; Samiee and Chabowski 2012), the literature suffers from significant conceptual and empirical disagreements that hamper existing and future research on this important issue. Albeit the insatiable interest in country image suggests that it is an important marketing topic, little agreement exists as to what country image is and how it should be measured. The deep-rooted shortcomings have only rarely been addressed and, more importantly, not been satisfactorily
resolved, leaving the majority of studies in the area to rely on research models lacking in sound conceptual and methodological reasoning.

This dissertation addresses calls from both tourism and marketing researchers for a holistic framework and comprehensive examination of the role that the country cue plays in consumer behavior (Josiassen and Harzing 2008; Maheswaran et al. 2013). It provides much needed advancement to both the tourism and marketing research discipline by conceptualizing and empirically examining various pathways through which the country cue manifests in tourists’ and consumers’ behavior. This examination is initiated through a newly developed guiding framework, the image-bias duality model (chapter two), which structures existing research accounts along two conceptually and empirically distinct dimensions: country images and country biases. This dissertation addresses fundamental shortcomings in both tourism (chapter three and chapter four) and marketing research (chapter five), thereby contributing to advances in academia and management along various lines.

In chapter three, I address the ongoing conceptual and operational ambiguity of the destination image construct, arguably the most influential construct in the tourism research discipline (Dolnicar and Grün 2013). While countless studies rely on tourists’ destination image as a means to understand tourist preferences and decision-making, these studies have applied a myriad of, often conflicting, definitions and measurements. This disagreement on what destination image is and how it should be measured is significantly hampering the advancement of the literature and managerial value thereof. I document that existing accounts on destination image have conflated three conceptually and empirically distinct constructs under the common label ‘destination image’, thereby making it almost impossible to compare results across studies. I therefore systematically synthesize the existing literature on mental destination representations (which I use as a generic label for all accounts of country image) into a three-dimensional model. This model, which is based on seminal psychological
accounts of attitude formation and structure (e.g., Bodur, Brinberg and Coupey 2000; Eagly and Chaiken 1993), develops the three dimensions of destination imagery, destination affect and destination image itself, thereby uniting often conflicting perspectives in tourism research. Reliable, valid and parsimonious scales are developed for each of the three dimensions, and nomologically validated in an empirical model, the Destination Content Model (DCM). I show that the three dimensions interact but exert independent effects on tourists’ preferences, enabling researchers to identify and understand idiosyncratic strengths and weaknesses of destinations.

In chapter four, I provide the first investigation of a home country attitude in tourism research, labelled tourism ethnocentrism (TE), thereby constituting a novel and timely examination of growing nationalistic tendencies the world over. By doing that, I provide the ground for a new research line that I label ‘biases in tourism’, and provide the first investigation of such a bias in tourism research. The term “bias” implies a judgment that the predisposition or attitude of the individual or unjustifiable or irrational, in the sense that it goes beyond the objective evidence of the product. Biases are important psychological phenomena that have often been neglected by economists, management and marketing researchers but received attention from these disciplines in more recent years (e.g., Josiassen 2011; Hewstone, Rubin and Willis 2002). While biases can take various different forms they have in common that they explain behavior beyond what is expected from rational considerations. In this dissertation, I investigate the bias of tourism ethnocentrism as a phenomenon that predisposes both tourists and residents to favor domestic destinations beyond their considerations of destination quality or price. I conceptualize tourism ethnocentrism by drawing on seminal intergroup psychology, develop a reliable, valid and parsimonious scale and show its important role in tourism in two consecutive empirical studies. In addition, I empirically document that tourism ethnocentrism can explain tourist and
resident behavior beyond destination image, the construct commonly used to understand destination preferences. Specifically, I analyze tourism ethnocentrism in a model together with destination imagery, developed in chapter three, and find strong and independent effects of both constructs on various outcome variables. In consequence, I conclude that a comprehensive analysis of destination decision-making should include both destination images and tourism ethnocentrism.

In chapter five, I conduct the first investigation of xenophobia, its causes and consequences in consumer behavior. While tourism ethnocentrism is a positive in-group bias in the tourism domain, consumer xenophobia is a negative out-group bias in the marketing domain. Consumer xenophobia is defined as a consumer’s perceptions of symbolic and realistic threats posed by foreign companies that enter the domestic market of the consumer. Xenophobia, recently announced as the word of the year 2016 (Times Magazine 2016), is gaining ground around the world and shapes our daily lives. It also plays a fundamental role in understanding the zeitgeist of the last couple of years in which we saw commercial, political and social upheaval around the world. Research on xenophobia is relatively advanced in the politics and social psychology domains, yet there has been little mention let alone substantial investigation of the phenomenon in a consumption context. By introducing consumer xenophobia to marketing research, managers and policy makers, and by empirically testing its consequences for consumer behavior in two consecutive studies, I believe to make a timely and much needed contribution.

Chapter three to five, which make a specific contribution as outlined above, are bookended in chapter two and six. Chapter two develops the image-bias duality model which provides a guideline for the thesis. Chapter six concludes with a holistic view on the insights yielded by this dissertations and provides big picture implications for the advancement of both theory and practice in the tourism and marketing research domain.
Chapter Two: The Country Image-Bias Duality Framework

Consumers’ mental representations that they hold about countries manifest in product performance-related cognitions (i.e. images) but also in cognitions and emotions that go beyond mere performance-related cues (i.e. biases). Existing research has largely overlooked this important distinction, potentially contributing to the discussions and misunderstandings that shape this stream of literature (e.g., Josiassen and Harzing 2008). I refer to performance-related cues as those that consumers use to approximate functional or symbolic benefits of the product. This conceptualization is in line with research that conceptualize utilitarian and hedonic benefits of products (e.g., Batra and Ahtola 1991; Voss, Spangenberg and Grohmann 2003), and the various accounts in both tourism and marketing research that highlight the symbolic benefits of products (e.g., Batra, Ahuvia and Bagozzi 2012; Boley, Jordan, Kline and Knollenberg 2018; Ekinci and Hosany 2006; Keller 1993). Similarly, performance-unrelated cues, also referred to as biases, are those that influence consumers’ product preferences through other routes than quality perceptions. Further, I refer to products as all tangible and intangible offerings, as such and for reasons of brevity, this includes services as well as holiday destinations.

The country image-bias duality framework puts forward that the country cue influences consumers’ preferences through two pathways (Figure 1): performance-related cognitions and performance-unrelated cognitions and emotions. Understanding the difference between these two types of consumers’ country predisposition is central for the development of an encompassing and inclusive conceptualization thereof. Existing research has yet to comprehensively examine this distinction and empirical investigations thereof are remarkably scarce, which has motivated researchers to call for conceptual and empirical advancement in
country of origin research (Josiassen 2011; Maheswaran et al. 2013) and tourism research (Beerli and Martin 2004; Pearce and Packer 2013). The framework provides the guiding principle of this dissertation and lays out the three papers that follow in chapters three, four and five.

Figure 1: The Country Image-Bias Duality Framework

2.1 Performance-related country cognitions

First, consumers use the country cue to infer quality and expected outcomes of a product (e.g., Han 1989; Hong and Kang 2006; Maheswaran 1994) or a destination (e.g., Kock, Josiassen and Assaf 2016; Prayag and Ryan 2012), thus, consumers mentally process the country cue to derive performance-related information about the product (Maheswaran et al. 2013). The more positive a consumer’s country image, the more favorable are product judgements and purchase intentions toward products associated with that country (Verlegh et al. 2005). In marketing, these performance-related country cognitions are commonly referred
to as ‘country-of-origin’ image. Schooler (1971) documents that consumers attribute higher quality to products originating from developed countries because of their belief that developed countries have higher standards of manufacturing and quality. Similarly, consumers often hold unfavorable attitudes toward products from economically underdeveloped countries (Han and Terpstra 1988; Hong and Wyer 1989; Nagashima, 1970). Building on this research, Roth and Romeo (1992) show that country images are product-category specific characteristics. For example, the favorable image of Germany in manufacturing machines leads consumers to infer that German cars are of high quality. In a similar vein, Klein and Ettenson (1999, p. 10) state: “Consumers might judge a German car as high-quality, reliable, and technologically advanced, partially because Germany as a country gives people in the world an image that workers and engineers in Germany are hardworking, meticulous, and well-educated.” However, this inference does not apply to other products categories such as Germany’s reputation for producing high quality fashion (Roth and Romeo 1992), indicating that country image often exists at the product-category level (Josiassen, Lukas, Whitwell and Assaf 2013; Verlegh et al. 2005).

Early research (Bilkey and Nes 1982) concentrated on the role of country image in informing consumers’ judgments of product quality. Thus, the lion’s share of existing country image studies is devoted to this performance-related country image perspective. Those studies (e.g., Parameswaran and Pisharodi 1994; Roth and Romeo 1992; Roth and Diamantopoulos 2009) seek to understand the nature, conceptualization and measurement of country image as a mental representation formed and held by consumers. A plethora of definitions has been suggested for the ‘country of origin image’ construct (e.g., Josiassen and Harzing 2008), with little agreement on the scope and scale of the concept. While many of the existing research accounts are conceptually comprehensive, the sheer myriad of perspectives makes it almost impossible to compare extant studies and select the most adequate approach for a particular
research goal. In light of these conceptual challenges which confront the study of country image, it comes as no surprise that also the operationalization has often been ambiguous. Scholars have applied a variety of data collection methods, items and scales to the study of consumers’ country images without reaching a consensus. In chapter three, this dissertation attempts to alleviate these shortcomings.

2.2 Performance-unrelated country biases

In addition to performance-related predispositions, the country cue can influence consumer behavior beyond product quality perceptions (Josiassen 2011). Gürhan-Canli and Maheswaran (2000a, p. 310) assert that “attitudes toward foreign products may be governed by inferences other than those about product quality,” and Herche (1992) notes that a consumer may be favorable toward French wine but still refuses to buy it because of an opinion that buying French products hurts the domestic economy. Following Josiassen (2011), I refer to these predispositions that inform consumer behavior for other reasons than product performance as country biases. Using the term “bias” implies a judgment that the predisposition is unfair, illegitimate, or unjustifiable, in the sense that it goes beyond the objective evidence of the product (Hewstone et al. 2002). For example, Klein et al. (1998) demonstrate that while Chinese consumers evaluate Japanese products as being of high quality they still do not wish to buy them because of a feeling of animosity toward Japan. There is no inherent assumption that such emotions coincide with the performance-related country image the consumer holds about that country’s products.

Performance-unrelated country biases toward countries can stem from personal experiences, cultural, historic, military or economic country-related events and thereby exist on the country-level, not the product-level. As I will show in chapter four and five, an
important reason for performance-unrelated predispositions in consumer behavior are an individual’s perceptions of group membership. Specifically, chapter four investigates tourism ethnocentrism, a positive in-group bias that tourists harbor toward the home country, specifically toward the domestic tourism industry. This study is the first investigation of a bias in tourism research. Chapter five investigates consumer xenophobia, a negative out-group bias that consumers harbor toward all foreign countries, specifically toward foreign companies. Country biases are often confused with performance-related country cognitions although the two phenomena are distinct (Shankarmahesh 2006).

A country bias that has received significant attention is animosity which is defined as consumers’ “remnants of antipathy related to previous or ongoing military, political, or economic events” (Klein et al. 1998, p. 90). The authors make the difference to performance-related country cues clear by stating that “consumers might avoid products from the offending nation not because of concern about the quality of goods, but because the exporting nation has engaged in military, political, or economic acts that a consumer finds both grievous and difficult to forgive.” As such, those antipathy can only be understood by marketers if they have a good understanding of the history of a country and its relations with its neighbors. I argue that having an understanding of political and sociological constellations between and within countries is important to understand country biases in consumer and tourist behavior.

Analogously to animosity, a country may also elicit feelings of affinity (Oberecker and Diamantopoulos 2011) among consumers, which refers to a feeling of liking, sympathy, and even attachment toward a specific foreign country. Neither animosity nor affinity are performance-related but nevertheless influence consumers’ preferences toward products from the affect-laden countries.

Both country images and country biases are crucial to understand consumers’ preferences, thus, a comprehensive examination of country effects in consumer behavior must
include both. However, most existing studies have often exclusively focused on the country as a cognitive, performance-related cue. Figure 1 shows the unifying country image-bias duality framework which allows for an organization of consumers’ mental content about countries, capturing and synthesizing the complexity of how consumers use country cues to construct their product preferences. The sound conceptualization of its components enables me to develop measures and provide an empirical investigation thereof. Figure 1 indicates how the following chapters are conceptually anchored in the duality framework.

Table 1: Overview of studies, key constructs and research questions

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Focal Constructs</th>
<th>Definition</th>
<th>Fundamental Theories</th>
<th>Key Research Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Destination Imagery</td>
<td>Destination Imagery: An individual’s diverse cognitive and affective associations relating to a destination.</td>
<td>Theory of Reasoned Action (Fishbein and Ajzen 1975)</td>
<td>What is the role of tourists’ mental representations about destinations, both cognitions and affect, in tourist behavior?</td>
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<td></td>
<td>Destination Image</td>
<td>Destination Image: An individual’s overall evaluative representation of a destination</td>
<td>Attitude Theory (Eagly and Chaiken 1993)</td>
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<td></td>
<td>Destination Affect</td>
<td>Destination Affect: An individual’s overall integral affect attributed to a destination</td>
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<tr>
<td>4</td>
<td>Tourism Ethnocentrism</td>
<td>An individual’s prescriptive beliefs and felt moral obligation to support the domestic tourism economy.</td>
<td>Intergroup Bias Theory (Hewstone et al. 2002)</td>
<td>What is the role of ethnocentrism in tourist behavior?</td>
</tr>
<tr>
<td>5</td>
<td>Consumer Xenophobia</td>
<td>Consumers’ perceptions of symbolic and realistic threats posed by foreign companies.</td>
<td>Intergroup Threat Theory (Stephan and Stephan 2000)</td>
<td>What is the role of xenophobia in consumer behavior?</td>
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2.3 Philosophical Considerations

Before I continue with the identification of relevant research questions, development of the conceptual models and the empirical investigations thereof, I discuss the philosophical underpinnings of my research approach that I use throughout this dissertation. The philosophical underpinnings of a research determine the theoretical and methodological stance taken to approach a research problem; hence, the outline thereof provides insights into and helps to reason the execution of my research. Philosophy of science, also referred to as research philosophy, examines the nature of knowledge, how it is developed and applied. Philosophy of science involves the articulation of ontological and epistemological assumptions that serve as a guiding principle for the choice of theoretical framework, methodological approach and design. The embracement of a research philosophy therefore implies on which assumptions the researcher’s understanding resides and how he understands the nature of knowledge he wishes to enhance and produce. As this research is intended to develop new knowledge in the areas of marketing and tourism research, I will reflect upon the ontological and epistemological approach, and conceptually ground it in a framework of scientific revolution.

Ontology refers to the assumptions that researchers make about the nature of reality, seeking to answer what constitutes reality and how it can be understood. While the label ontology is commonly used in the social sciences, it is first and foremost a philosophical question, thereby referred to as metaphysics. Two dichotomous ontological assumptions are identified. The first considers reality, and the phenomena that manifests therein, as existing independently from the perception and actions of the researcher, thereby seeing reality as an objective fact that is purely perceived through innate human capacity of thought and reason. This view implies that no subjective realities exist, and that all human beings perceive reality ‘as it is’, thus in the same way. The second ontological assumption
puts forward that reality cannot be objectively conceived but that it is socially-constructed, there constituting a subjective interpretation of reality that is considered as real because the individual believes it to be real. This contention has been prominently endorsed by Immanuel Kant in early year in his *Critique of Pure Reason* (1781).

In the tradition of the majority of research conducted in quantitative marketing and tourism research, the present research takes the position that the phenomena examined herein (such as destination image, tourism ethnocentrism and consumer xenophobia) are cognitive, respectively social phenomena that are part of an external, objectively observable and measureable reality. As a consequence, acquiring data about and examining the nature of these phenomena represents a reification of the properties thereof because they manifest mind-independent reality. The phenomena under study are assumed to conspicuously exist, independent of the reflections or impressions that an individual may have about them.
Chapter Three: Understanding and Measuring Consumers’ Country Images, and Their Role in Driving Behavior - The Destination Content Model

3.1 Introduction

During the recent four decades, tourism researchers have devoted considerable effort to understand how individuals mentally form, store and use representations of a tourism destination. According to Pike (2002) and Dolnicar and Grün (2013), destination image is the most frequently studied topic in tourism research. This prominence of destination image is mainly caused by the universal acknowledgment that destination image can predict individuals’ choice of destinations and their intention to visit them (e.g., Hunt 1975). Similarly, referring to Mercer (1971), Baloglu and McCleary (1999) indicate that the “initial image formation stage before the trip is the most important phase in tourists’ [sic] destination selection processes” (p. 869). Likewise, not only academicians but also tourism managers use destination image constructs in their attempts to understand tourist behavior, and destinations themselves make efforts to improve their image.

Almost as high as the importance of destination image for the tourism literature is the number of perspectives researchers have taken to define, operationalize and measure it. While some studies treat destination image as a holistic and evaluative concept (e.g., Assaker, Vinzi and O’Connor 2011; Josiassen and Assaf 2011), others propose to model destination image as a multi-faceted and rather descriptive mental phenomenon (e.g., Prayag and Ryan 2012; Tasci
Studies not only differ on whether destination image is descriptive or evaluative in nature, but also on whether it should be a cognitive representation, or also comprises affective mental states (e.g., Baloglu and Brinberg 1997). The intuitive but impalpable nature of destination image is a blessing and a curse at the same time: On the one hand, its’ visceral meaning is highly attractive for both researchers and tourism managers, resulting in countless empirical and practical applications. On the other hand, most of these applications are based on a rather prototypical and atheoretical understanding of destination image. Responding to this matter, Fakeye and Crompton (1991, p. 10) state that many studies on mental destination representations “have been atheoretical and lacking any conceptual framework”, and Beerli and Martin (2004, p.658) add that studies “tend not to conceptualize this term [i.e. destination image] precisely.” Motivated by this shortcoming, some studies (Baloglu and McCleary 1999; Josiassen et al. 2016) have acknowledged the myriad of views on destination image in the literature and made initial propositions to structure and synthesize them.

While these studies contribute to the understanding of the complexity of destination image, two key gaps are yet to close. First, researchers still do not have a sound theoretical framework for the components that allegedly make up destination image, and Gartner (1993, p. 209) suggests that “most tourism image research has been piecemeal without a theoretical basis for support”. Also highlighting this shortcoming, Beerli and Martin (2004, p. 657) state that “despite this increasing interest in destination image, many agree that the majority of studies carried out to date are insufficiently theory-based, resulting in a lack of framework or solid conceptualization.” “While the assessment of attitudes towards destinations is the basis of much research in the tourism literature” (Pearce and Packer 2013, p. 392), a model that incorporates sound theoretical bases from attitude research is yet to be developed. In contrast to the inductive approach used by existing studies (e.g., Josiassen et al. 2016) to identify underlying components of the mental destination representation, this research follows a strict
deductive reasoning to conceptualize the mental representations of destinations along existing theoretical dimensions of social and cognitive psychology.

Second, and caused by the limited theoretical grounding of mental destination representations, most of the studies that conceptually distinguish between different components of destination representations fail to sufficiently implement this conceptualization at the operational stage. Due to the lack of a theoretical backbone, an agreement on an accepted measurement approach that enables researchers to capture the complexity of destination representations among individuals is yet to be established. Using the same label of ‘destination image’ for more than one construct while measuring them in many different ways, constitutes an important limitation for the conceptual and operational integrity of the construct, it’s applicability to, and comparability across studies in tourism research.

The aim of this research is therefore twofold: Based on seminal attitude research, it provides a theoretically sound framework which identifies, conceptualizes and delineates the components of the mental representations people hold about a tourism destination. This framework is labeled the destination content model (DCM), composed of a multi-dimensional cognitive component, an affective component and an overall evaluative component. Tourism researchers have explicitly highlighted the potential of psychology research in general, and attitude theories in particular, for the advancement of tourism literature (e.g., Pearce and Packer 2013). Similarly, del Bosque and San Martin (2008, p. 551) state that “an in-depth exploration of psychological concepts such as attitudes [...] is necessary for understanding the consumer psychology of tourism”. Second, this study review existing methodological approaches to measurement of mental destination representations and develops and empirically tests new measurements for the three components by integrating methodological approaches from psychology, marketing and tourism research. By developing a scale for the
three components, the present study also tests their effects on tourist behavior. While destination image is an important construct to predict tourist behavior, the attitude construct has been at the center to explain behavior more than any other psychological construct (Fishbein and Ajzen 2011). By bringing these two streams together, the present study attempts to improve the predictive quality of empirical tourism studies and provides a much-needed structuring of concepts and methods used in the literature that investigates mental destination representations.

This research has several important implications both for the conceptual advancement and empirical application of the destination image literature. The present study is among the first that comprehensively transfers attitude research to the tourism literature. By doing this, it addresses recent calls from academicians to establish stronger links between psychology and tourism, in order to overcome the limited success of linking attitudes and behaviour in tourism research (Pearce and Packer 2013). Further, the DCM developed in this study enables researchers to build their future research on a sound theoretical base and makes them sensitive to choose the right conceptualization as well as the right operationalization and measurement for the construct under investigation. That means, it removes conceptual and methodological ambiguity from the various constructs that are used under the common label ‘destination image’ in the literature. In addition, the present study draws on seminal methodological approaches to measure the different mental representations. Among these, an affective mental representation of a destination is developed for the first time in tourism research.

The remainder of the study proceeds as follows: Derived from attitude research, we first introduce the theoretical framework of our model. By doing this, we identify and conceptualize three different components of how a destination manifests in the minds of individuals as a mental state. Based on these three components, we develop hypotheses on how the three components interact among each other and how they drive tourism behavior.
Third, based on the conceptualization we develop measurements for each of the three components. This step is followed by developing and validating a scale for each type of destination representation. After this, we empirically test our developed hypotheses. Finally, we analyze the results, discuss their implications and highlight the importance of this study for future research.

3.2 Theoretical background

In the last three decades, tourism research has developed a myriad of different constructs under the common label ‘destination image’ (e.g., Andrades-Caldito, Sánchez-Rivero and Pulido-Fernández 2013; Assaker and Hallak 2013), without establishing a consensus on how to define or measure it (Stylidis, Belhassen and Shani 2015). The failure of not having established a consensus yet is an indicator for the ongoing debate about conflicting theoretical and methodological assumptions in the literature. Although the proposed constructs differ significantly in the way they are conceptualized and measured, a general agreement exists in the literature that a ‘destination image’ is basically a mental representation of the destination in the individual’s mind (del Bosque and San Martin 2008). This implicit definition of a destination image can be referred to as a prototypical understanding (Rosch 1975), that means, a concept that is not amenable to definition in terms of necessary and sufficient criteria (Fehr 2006). Prototypical understandings are intuitive but at the same time hard to conceptualize and measure due to their fuzzy boundaries (Barsalou 1991), making it necessary to apply some sort of theoretical abstraction (Batra, Ahuvia and Bagozzi 2012). In the study of destination image, researchers’ definitions are fuzzy because of two issues. First, they do not agree on criteria that allow for a hierarchical organization of the destination image construct at different levels of abstractness (e.g., Batra et al. 2012). Second, they often include
in their definition and measurement not only components of the construct itself but also antecedents and outcomes.

Agreeing with Grosspietsch’s statement that “first of all, the term ‘image’ imposes a definition problem” (2004, p. 226), existing definitions on ‘destination image’ are testament to an often fuzzy understanding of the construct. In his frequently cited work, Crompton (1979) understands the construct as a cognitive and aggregated “mental conception” (p. 19), referring to it as “the sum of beliefs, ideas and impressions that a person has of a destination.” (p.18). Baloglu and McCleary (1999, p. 870) similarly view the mental destination representation as an evaluative construct, and call it a “global impression about a destination.” Another important definition is proposed by Lawson and Baud Bovy (1977) who define destination image as a mixture of both an expression of multiple attributes and emotional thoughts. These definitions allow to draw parallels to the also often prototypical definitions of attitudes in early psychology research. For example, in their seminal social psychology textbook, Krech and Crutchfield (1948, p. 152) define attitude as “an enduring organization of motivational, emotional, perceptual, and cognitive processes with respect to some aspect of the individual’s world”. Although these all-encompassing views of attitude were widely spread among researchers during this time, psychologists had soon overcome this state of prototypical definitions. The present study attempts to follow the same theoretical considerations to overcome this issue in tourism as well.

Addressing the prototypical understanding of ‘destination image’ in the literature, Josiassen, et al. (2016) propose dimensional reductions along which existing interpretations of ‘destination image’ differ. First, studies implicitly assume either a descriptive (e.g., Prayag and Ryan 2012; Ryan and Cave 2005) or evaluative nature (e.g., Bigne, Sanchez and Sanchez 2001; Sparks and Pan 2009) of the mental destination representation individuals hold. Second, studies also disagree on the aggregative level of the mental representation. While some
studies assume individuals to mentally store a destination as a one-dimensional evaluation (e.g., Assaker, Vinzi and O’Connor 2011; Josiassen and Assaf 2013; Sparks and Pan; 2009), other studies expect the mental representation of a destination to consist of several, potentially unrelated beliefs, and thus used a multi-attribute approach (e.g., Sun, Chi and Xu 2013). Further, Baloglu and McCleary (1999) indicated that tourism literature is also divided on the nature of the individual’s mental responses to the destination. While many studies view the mental representation of a destination to be a cognitive state, others understand it as a state of feeling or even doing. Against this background, the present study outlines a comprehensive psychological framework that draws on seminal attitude theory to structure the different interpretations research has understood under the common label ‘destination image’. By doing this, three conceptually and empirically distinct mental components are identified, hierarchically structured and linked to tourist behavior. These components are integrated in the Destination Content Model (Figure 2).

Figure 2: The Destination Content Model (DCM)
3.3 Developing and Hypothesizing the Destination Content Model

The rich research stream on attitude is undoubtedly an intriguing and frequently used approach to understand the complexity of mental representations individuals form about objects in their minds. While “the assessment of attitudes in tourism study is the basis of much research activity” (Pearce and Packer 2013, p. 392), a theory-driven framework for destination image and based on attitude research has yet to be developed. Attitude research provides a fruitful theoretical substrate for research on mental destination representations. In particular, it conceptually distinguish between cognitive/affective and descriptive/evaluative mental states and views them in a hierarchically-structured mental network that allows researchers to conceptualize and operationalize interactions between these mental states. However, most important to many studies across disciplines is the notion in attitude theory that mental states are inextricably linked to behavioral intentions, thus able to predict conations. As tourism researchers are often most interested in the link between perceptions of a destination and behavioral intentions toward that destination (e.g., Assaker and Hallak 2013; Bigné, Sanchez and Sanchez 2001; Chen and Gursoy 2001), the application of attitude research can not only explain how destinations are mentally processed seen in the mind of the individual but also how these mental states affect the individual’s behavioral reactions toward destinations.

Fundamental to and shared by many studies on attitude research is an emphasis on a hierarchical multi-component nature of attitude, consisting of cognitive structure (i.e. beliefs or associations), affective structure (i.e. feeling) and overall attitude (e.g., Bodur et al. 2000). Although there is general agreement that the overall attitude itself is best conceptualized as a summary evaluation of an object (Ajzen 2001), it is also a common notion in the psychology literature that attitude can only be understood by its determinants and that they are inextricably linked to affective and cognitive attitude components (Eagly, Mladinic and Otto
Traditionally, individuals were considered as being rational information processors and focusing on cognitive knowledge structures rather than feelings (Heider 1958). In accordance, almost all major attitude theories consider cognitive representations as being a central element in attitude structure (Fiske and Taylor 2013), and many of them even argue that cognitions play the most important role in attitudes (Ajzen 2001). Likewise, cognitive structures also seem to dominate the study on mental destination representations.

3.3.1 Destination Image (DI)

Psychologists commonly define the attitude itself as a “summary evaluation” (Ajzen 2001, p. 28) or an “overall evaluation” (Eagly et al. 1994, p. 113) of the attitude object. Thus, the bipolar evaluative dimension that ranges from positive to negative or favorable to unfavorable is the essential characteristic of an attitude (e.g., Petty and Cacioppo 1986). Similarly, several tourism studies treat mental destination representations as an overall evaluation of a destination and thus focus on the holistic or gestalt component of a destination (e.g., Assaker and Hallak 2013; Josiassen and Assaf 2013; Sparks and Pan 2009; Um and Crompton 1990; Wang and Hsu 2010). While it would also be taxonomically correct to label these constructs as ‘destination attitudes’ (similar to how marketing defines ‘brand attitude’, see Keller 2003), this study follows Josiassen et al. (2016) and uses the label ‘destination image’ (DI), defined as an individual’s overall evaluative representation of a destination. An evaluation can be defined as “the imputation of some degree of goodness or badness to an entity” (Eagly and Chaiken 1993, p. 3), thus, DI is best conceptualized as a unidimensional reflective construct that exists in the mind of an individual. As such, it can be easily activated in mind and informs decision-making. The nature of DI as an evaluative summary construct thus resembles the affect-referral process discussed by Wright (1975) according to which individuals do not examine attributes of alternative destinations but simply recall from
memory a previously formed overall evaluation for each destination. Against this background, studies that are concerned with the evaluative predisposition individuals hold toward a particular destination are therefore advised to conceptualize destination representations as DI.

A key contribution of attitude research is its capability to explain and model behavioral intentions and overt behavior that stems from the evaluative meaning individuals attach to objects (Bagozzi et al. 2001). Most studies concerned with the prediction of behavior from attitudes apply the theory of planned behavior (Ajzen 1991) and its predecessor, the theory of reasoned action (Ajzen and Fishbein 1980). According to the theory of planned behavior, individuals’ behavioral intentions toward an object are determined by and aligned with the evaluation hold toward that object. Thereby, Ajzen and Fishbein’s theory draws on seminal consistency and balance theory (i.e. Festinger 1962), arguing that individuals seek mental consistency among their evaluation and behavior toward an object (Heider 1958).

Tourism research frequently investigates the influence that mental destination representations have on tourist behavior, in particular the willingness to visit (WTV) a destination (Tigre-Moura, Gnoth and Deans 2015) and to provide word-of-mouth recommendations (Simpson and Siguaw 2008). In addition to testing these two prevalent tourist behaviors in a nomological network, we also introduce willingness-to-pay as an additional outcome based on Zeithaml, Berry and Parasuraman’s (1996) work suggesting that individuals who hold more favorable mental representations about a destination may have a higher propensity to pay more. Accordingly, it is hypothesized that:

**H1: Destination image has a positive effect on tourist behavior. Specifically, destination image positively relates to a) willingness-to-visit, b) willingness to provide word-of-mouth recommendations, and c) willingness-to-pay.**

3.3.2 Destination Imagery (DY)
Although psychologists broadly agree on the overall evaluative nature of attitude itself, attitude is manifested by associations linked to the attitude object. In their seminal study, Eagly, Miladinic and Otto (1994) state that the “overall evaluation of attitude objects derive from cognitions, that is, from the beliefs formed about the attitude object” (p.113).

Similarly, tourism studies are also not only interested in the overall evaluation of a destination (DI), but also frequently conceptualize the destination representation as a host of attributes that individuals mentally link with a destination. Likewise, Echtner and Ritchie (2003, p. 42) state that “destination image could be considered in terms of both an attribute-based component and a holistic component”. These cognitive attributes that individuals link to a destination are often referred to as ‘beliefs’ (e.g., Crompton 1979), ‘knowledge’ (e.g., Baloglu and McCleary 1999), ‘impressions’, ‘schemas’ (e.g., Walmsley and Young 1998) or ‘stereotypes’ (e.g., Echtner and Ritchie 1993). Similarly, an important component of brand image or country image are attributes that serve as descriptive features of a brand (Keller 2003), respectively a country-of-origin (Han 1989; Jaffe and Nebenzahl 1984). These attributes can be cognitive descriptors, as well as affective descriptors or nouns (e.g., Stepchenkova and Morrison 2008) and enable the individual to describe or characterize a destination without necessarily implying a certain evaluation at the same time.

The view of destination representations as the host or of associations, attributes or beliefs is often applied in tourism research (e.g., Baloglu and Mangaloglu 2001; Echtner and Ritchie 1993; Kim and Yoon 2003; Stepchenkova and Li 2014). This study draws on Josiassen et al.’s (2016) definition and labels this host of descriptive attributes the destination imagery (DY), defined as an individual’s diverse cognitive and affective associations relating to a destination. An important distinction needs to be made between the affective associations such as ‘exciting’ or ‘friendly’ (e.g., Baloglu and McCleary 1999; Stepchenkova and Morrison 2008; Tigre-Moura et al. 2015) and experiential affective states. While the affective
associations that are part of DY are indeed affective descriptors (e.g., Russel 1980), they do not reflect an affective response of the individual toward the destination. As such, while DY comprises affective descriptors, the construct is cognitive in nature. This issue will be outlined in more detail later.

While almost all studies measuring DY conceptually agree on the notion that beliefs and knowledge about destination should make up DY (e.g., Baloglu and McCleary 1999), this conceptualization is not adequately represented in the operationalization of DY as descriptive and evaluative facets are often mingled together. Strictly speaking, it is argued that the construct of DY that comprises various destination associations does not necessarily imply a subsequent evaluation of these associations. While it was Crompton who already argued in 1979 for the delimitation of the descriptive (which I refer to as destination imagery) and evaluative dimension of destination image (which I refer to as actual destination image), this view is also conceptually anchored in early attitude theory (e.g., Peak 1955; Rosenberg 1956) and most prominently represented in the expectancy-value model (EVM) of attitude (Ajzen and Fishbein 1980; Fishbein and Ajzen 1975). The EVM is based on the notion that individuals’ overall evaluative attitude stems from the portfolio of associations they ascribe to and hold of an attitude object. In concert with this view, but using the label ‘image’ instead of attitude, Kotler, Haider and Rein (1993, p. 141) state that “images represent a simplification of a large number of associations and pieces of information connected with the place. They are a product of the mind trying to process, categorize, and essentialize huge amounts of data about the place”. Inherent to this consideration is the seminal view that associations serve as the input for an evaluation process, rather than being evaluative themselves. While many studies have operationalized DY as a descriptive/evaluative amalgam, modeling DY as the descriptive input and DI as the evaluative output is more adequate. In addition, the two mental constructs are assumed to be linked by a mental evaluative process that ‘translates’ the
amounts of rather descriptive information into an overall evaluation. Similarly, Fishbein and Ajzen (1975) argue that an evaluation is the result of a function of the cognitive beliefs about the object and the implicit evaluative responses associated with these beliefs. While this conceptual distinction exists in psychology, reflected by the seminal research streams on attitude structure on the one hand, and attitude formation/change on the other hand, tourism research suffers from an operational conflation of mental representations and mental processes (but note that researchers have recently begun to address this issue; Karl, Reintinger and Schmude 2015).

The host of rather descriptive associations about a destination, represented by DY, results in an overall evaluative judgment, represented by DI. Thus, DY is thought to drive DI (Baloglu and McCleary 1999; Josiassen et al. 2016). Research has found that these two types of cognitions are distinct forms of mental representations and should therefore be treated as distinct constructs. While an individual can acquire various associations and mentally link them to a destination, the evaluation of these associations relies on different mental capacities and should not be dogmatically assumed. For example, the association of ‘multicultural’ may be a part of DY, but whether it is evaluated as a positive or negative feature cannot and should not be generally assumed while capturing this association. Likewise, evaluative judgments differ from non-evaluative (i.e. descriptive) judgments in important psychological and neurological ways (Jarvis and Petty 1996). As a consequence, not distinguishing between descriptive and evaluative mental states has resulted in problematic measurement approaches as this study will outline later on. It is hypothesized:

\[ \text{H2: Destination Imagery relates positively to Destination Image.} \]

3.3.3 Destination Affect (DA)
While cognitions have historically dominated both in attitude and tourism research (e.g., Crompton 1979; Prayag 2009), one can observe increasing attention in both disciplines toward affective states and how they drive behavior and decision making (e.g., Baloglu and Brinberg 1997; Hosany and Gilbert 2010; Lerner, Li, Valdesolo and Kassam 2015). From the early 80s on, psychologists have started to argue that affect is playing an important role in shaping attitudes, as well as judgment and decision making (e.g., Bower 1981; Eagly and Chaiken 1993; Holbrook and Batra 1987; Isen 1987; Schwarz and Clore 1983). As such, it is common sense for more than two centuries that individuals think about an object in a certain way, and feel about this object in a certain way (Montesquieu 1892). Although image theory argues that country images have both a cognitive and an affective component (e.g., Alexander, Brewer and Herrmann 1999; Boulding 1956), many studies in tourism research downplay or even neglect the affective component of mental destination representations (e.g., Crompton 1979), or integrate the affective component in the cognitive one. However, affect is fundamentally different from its cognitive counterparts and experienced as a discrete entity or ‘natural kind’ (Barrett 2006; Ekman and Davidson 1994). Neuroscience also documents that affect is activated in different brain areas than cognitive processes (e.g., Lindquist, Wager, Kober, Bliss-Moreau and Feldman Barrett 2012; Panksepp 2007).

Affect felt toward an object plays an important role in the evaluation of that object, and research often refers to these experienced feelings about a stimulus as ‘integral affect’ (e.g., Abelson, Kinder, Peters and Fiske 1982; Bodenhausen 1993; Lerner and Keltner 2000). Indeed, Damasio (1994) reports compelling evidence that individuals who lack the ability to experience their affective reaction toward an object are psychologically unable to make judgments about that object even though their cognitive systems are otherwise intact. Likewise, this study argues that individuals hold an overall affective response to a destination, a so-called internal affective code that contains meaning (Barnard, Duke, Byrne and
Davidson, 2007; Damasio 1999). This affective mental representation is labeled destination affect (DA), and defined as *an individual’s overall integral affect attributed to a destination*. DA is not to be understood as the host of complex emotions felt toward a country as a result of a destination visit (e.g., Hosany, Prayag, Deesilatham, Cauševic and Odeh 2015) but rather as the affective experience which involves positive and negative core affect, i.e. basic feelings of good or bad (Barrett 2006; Russell 2003). However, while Hosany et al.’s (2015) emotional experiences are conceptualized and operationalized as the outcome of actual visits (also see Bigne, Andreu and Gnoth 2005), DA exists as a stable affective predisposition and is causal for a destination visit, rather than being the result of it.

While the EVM provides the conceptual base for understanding how the cognitive constructs DY and DI constitute descriptive, respectively evaluative mental representations, destination affect (DA) is theoretically grounded on feelings-as-information theory (Schwarz 1990; Schwarz and Clore 1996). This theory argues that individuals attend to their feelings about the destination as a unique source of information and use the valence of their feelings to infer the direction of their predispositions, ultimately affecting behavioral intentions (Forgas 2000). Likewise, Peters, Västfjäll, Gärling and Slovic (2006, p. 80) that “by translating more complex thoughts into simpler affective evaluations, decision makers can compare and integrate good and bad feelings rather than attempt to make sense out of a multitude of conflicting logical reasons”. This affective response will be often automatically activated by any given destination-related cue (Barrett, Tugade and Engle 2004; Pham 1998). As a consequence, DA is experienced as an incremental part of the destination rather than being seen as the individual’s isolated reaction toward the destination. That is, as Smith and DeCoster (2000) outline, affect attributed to the destination is experienced as part of the destination’s properties rather than as a perceptual consequence thereof.
Another important consideration pertains to the question how destination affect can be conceptually integrated into the cognitive mental structure of DY and DI. Already in the 18th-century the philosopher Hume proposed that affect should guide reasoning (1739/1978). Likewise, Zajonc (1984) argues for the primacy of affect, stating that individuals’ feelings about an object regularly override what they think about this object. This view has been incorporated in the seminal multi-component view of attitudes in which cognitions co-exist with and drive subsequent affect (e.g., Eagly and Chaiken 1993; Katz 1960; van der Pligt, de Vries, Manstead and van Harreveld 2000). This relationship is firmly grounded in appraisal theories (e.g., Roseman 1984; Smith and Ellsworth 1985), arguing that individuals’ affective response to a psychological object is based on how they cognitively understand this object. In accordance with this conceptualization, affect is commonly treated as the primary driver of behavioral intentions (Zajonc and Markus 1982), and research documents that affect often predicts behavioral intentions better then cognitions, thus functioning as a mediator between the two (e.g., Cuddy et al. 2007; Talaska, Fiske and Chaiken 2008). Against this background, the present study conceptualizes DA as driven by DY, thus it is assumed that the various associations about a destination not only serve as the input for the overall cognitive evaluation DI but also translate into an overall affective state of like or dislike (Slovic, Finucane, Peters and MacGregor 2007). As such, DA is the affective translation of the cognitive associations. It is therefore hypothesized:

**H3:** Destination Imagery positively relates to Destination Affect

**H4:** Destination Affect positively relates to Destination Image

**H5:** Destination Affect has a positive effect on tourist behavior. Specifically Destination Affect positively relates to a) willingness-to-visit, b) word-of-mouth, and c) willingness-to-pay.
An increased attention toward the role of affect can also be observed in tourism research (e.g., d’Hauteserre 2015), in particular among studies concerned with understanding tourist behavior (e.g., Bigné, Andreu and Gnoth 2005; Grappi and Montanari 2011). The most frequently cited approach to the role of affects toward destinations is the one by Baloglu and Brinberg (1997), later incorporated into the study of destination image formation (Baloglu and McCleary 1999). However, it is argued that the ‘affective image’ is not an affect but rather a cognitive component that has often been misunderstood and incorrectly applied in the tourism literature. While Baloglu and McCleary (1999) use the correct label ‘affective image’ (and affect itself) to express affective descriptors individuals use to describe a destination, many other studies conflated affective descriptors with experiential affect or actual feelings toward a destination. This study argues that affect, commonly understood as a basic, universal, and psychologically irreducible experiential state of mind (Russel and Feldman Barrett 1999), has never been measured in the destination image literature. In order to understand this argument, we refer to an interpretation of the literature that Baloglu and McCleary (1999) draw on to conceptualize affect toward a destination, i.e. the circumplex model of affect (Russell 1980).

In their seminal stream of studies, Russel and Pratt (Russel 1980; Russel and Pratt 1980) have proposed and measured a scale that captures the affective attributes that individuals use to describe environments. This approach is based on the observation that "the meaning of a place is not entirely determined by the physical properties of that place" (Ward and Russel 1981, p. 123). Russel and Pratt (1980) explicitly state that their affective model proposes a circular ordering of eight *affective descriptors* that can be used as a complementary dimension to cognitive descriptors individuals use to describe an object. As such, the affective grid does not attempt to capture actual feelings individuals experience toward a destination but rather provides researchers with a toolbox of affect-loaded adjectives.
that individuals use to describe a destination. While Baloglu and McCleary (1999) correctly call their construct ‘the affective quality’ of a destination, they also conflate it with actual feelings when stating that “affective evaluation refers to feelings toward, or attachment to it” [i.e. the destination] (p. 870). Existing studies have often exclusively drawn on this conceptualization (e.g., Prayag and Ryan 2012), and thus assumed a unity of affective descriptors and actual experiential affect. Importantly, studies regularly conflate affective descriptors with “affective emotions” (Hallmann, Zehrer and Müller 2013, p. 97), feelings and emotions attached to a destination (Papadimitriou, Apostolopoulou and Kaplanidou 2015, p. x) or state that “the affective image component is concerned with how individuals feel about the destination” (Stylidis et al. 2015, p. 704). Against this background, what researchers have often conceptualized as affect or emotions has not been operationalized as such but as affective descriptors or attributes.

It is crucial to highlight that the present study does not argue that the conceptualization of the affective component is generally problematic, but it is the interpretation of this construct as actual experienced affect, feelings or emotions toward a destination that is problematic. In particular, assuming that individuals not only describe destinations along physical attributes such as ‘beach’ or ‘Great Wall’, but also along affective attributes like ‘beautiful’ or ‘friendly’ (Tigre Moura et al. 2015) is plausible and correct. That means, this study in turn completely agrees with the research that labels this construct an affective image, affective quality or affective description of a destination (e.g., Baloglu and McCleary 1999). However, the most severe consequence of this issue is it has hampered the development of a true affective destination construct. Such a construct needs to unambiguously capture the subjective and affective reactions individuals experience toward a destination, instead of a using affective descriptors. For example, existing studies have used affective descriptors such
as “ugly/prety”, however this does not imply any personally felt affect like disgust or admiration, but only indicates that the individual describes the destination as “ugly/prety”.

As such, we argue that destination information is mentally processed in a three-dimensional space, in which the components of descriptive cognitions, affect and overall cognitive evaluation co-exist. In conclusion, attitude theories indicate that mental representations can be either cognitive or affective. Cognitive representations about an object can be further overall evaluative or rather descriptive and fragmented. The rather fragmented and descriptive mental representation is labeled destination imagery (DY), the overall evaluative cognition is labeled destination image (DI), and the affective reaction toward destinations we label destination affect (DA). In addition, it is important note that the three construct that underlie the DCM do not contain conative components. Adding a conative dimension to the constructs would make the following measurement of them in a nomological network tautological.

In conclusion, what researchers have often conceptualized as affect or emotions has not been operationalized as such but as affective descriptors or attributes. The most severe consequence of this issue is that it has hampered the development of a true affective destination construct. Such a construct needs to unambiguously capture the subjective affect individuals experience towards a destination, rather than using affective descriptors. For example, existing studies have used affective descriptors such as ‘friendly/hospitable people’ (Tigre et al. 2015), however, this does not imply affect as a respondent may think that the people are friendly but still does not like the country. This problematic operationalization becomes apparent as other studies (correctly) operationalize ‘friendly local people’ (Stylidis et al. 2015) as a cognitive item, and thus as part of DY. As long as such conflicts exist in the tourism literature and the same items are used for different constructs, progress of the discipline is significantly hampered.
Table 2: Conceptual characteristics of the DCM components

<table>
<thead>
<tr>
<th>Destination Imagery (DY)</th>
<th>Destination Image (DI)</th>
<th>Destination Affect (DA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-dimensional</td>
<td>Single-dimensional</td>
<td>Single-dimensional</td>
</tr>
<tr>
<td>Cognitive</td>
<td>Cognitive</td>
<td>Affective</td>
</tr>
<tr>
<td>Descriptive</td>
<td>Evaluative</td>
<td>Evaluative</td>
</tr>
</tbody>
</table>

In conclusion, we argue that destination information is mentally stored in a three-dimensional space, in which the components of descriptive cognitions, affect and overall cognitive evaluation co-exist and interact (see Figure 2). Further, Table 2 summarizes three of the core conceptual dimensions along which the components differ. In line with psychology research, the three mental components interact but have independent effects on tourists’ behavioral intentions.

3.4 Operationalizing and Measuring DY, DA and DI

Scholars have applied a variety of data collection methods, items and scales to the study of destination imagery, destination affect and destination image. Relating to this issue, Beerli and Martin (2004) observe that measurement scale usage may be characterized as lacking homogeneity. Although most of the applied measurement perspectives are not incorrect in their own right, they often do not sufficiently integrate the conceptualization of the construct under investigation, thus creating a crucial gap between theoretical construct development and construct operationalization. As a consequence, measures for mental representations about destinations often vary from study to study, causing an ambiguity that hinders the research area to develop. A solid and reliable measurement that is aligned with its underlying definition is not only crucial to the applicability of DY, DA and DI but also to the further development of the whole research involving mental representations of destinations.
3.4.1 The destination imagery scale

The operationalization of DY is shaped by an ongoing discussion in tourism research which is primarily caused by the composite nature of DY that presents great challenges for its measurement (Stepchenkova and Morrison 2008). While most studies which attempt to measure DY agree that beliefs, attributes or associations about a destination should be captured by this construct, the operationalization differs significantly among these studies. This study identifies five key dimensions on which existing DY measures diverge and that underlie the on-going debate on the measurement of DY. Understanding the abstract dimensions on which assumptions are based facilitates the identification of shortcomings in the literature. The five dimensions are:

- Accessibility-Diagnosticity
- Measurement Model
- Descriptive or Evaluative Nature of Items
- Subject of Analysis
- Object (or Unit) of Analysis

**Accessibility-Diagnosticity**

Two basic approaches to the measurement of DY exist in the literature: structured and unstructured approaches (Echtner and Ritchie 1993). While most studies view this issue as a purely methodological one, this study argues that the two views imply two different opinions on the accessibility-diagnosticity of the DY construct. Drawing on Feldman and Lynch’s seminal accessibility-diagnosticity framework (1988), accessibility refers to the ease of retrieval of certain information from memory, while diagnosticity refers to the relevance or importance of certain information attributed to the object.
One group of studies take a structured approach to measure DY (e.g., Baloglu and McCleary 1999; Chen and Phou 2013), and obtain data through answers to standardized close-ended survey questions. Structured methods provide an ease of data collection and analysis, are suitable for coding and increase the comparability of results across destinations. As such, structured approaches are prevalent as 75% of all papers published between 2002 and 2012 in top tourism journals apply it (Dolnicar and Grün 2013). However, a key shortcoming of structured approaches is that they use a battery of generic pre-defined destination attributes and generally neglect the possibility that destination associations vary from destination to destination (Selby and Morgan 1996). The structured approach is based on the assumption that the same generic associations make up the DY for all destinations and all individuals. Although individuals could potentially form countless beliefs about a destination, it is assumed that only associations and beliefs that are readily accessible in mind influence judgment and behavior at any given moment (Ajzen 2001). If irrelevant (i.e. non-diagnostic) or non-accessible associations were used to measure DY, predictive validity of these associations is questionable as they are unlikely to be present in the individuals’ minds when making decisions on whether to visit a destination or not (Fishbein and Ajzen 2011).

This view relates back to Simon’s (1967) seminal studies on bounded rationality according to which individual’s cognitive resources are limited and thus knowledge structure and its application has to focus on diagnostic associations that allow them to make effective distinctions and decisions (Aaker 2000). By using structured methodologies only, one may miss out diagnostic, and therefore important, associations while other, rather irrelevant ones, may be captured. In other words, a structured approach with generic associations is neither sufficiently inclusive nor exclusive at the same time. A methodological consequence of structured approaches is that DY would not qualitatively but only quantitatively differ across destinations, and differences between perceptions that individuals have toward different
destination can only be quantitatively reasoned. This view lacks external validity as individuals do probably not hold the same associations toward every country but indeed visit destinations because of diagnostic attributes that other destinations lack (Pan and Li 2011).

Drawing on the inability of structured approaches to capture relevant associations, another group of studies also applies unstructured methods such as in-depth interviews, open-ended questions or content analysis to identify specific destination associations and attributes that individuals hold toward a particular country (e.g., Echtner and Ritchie 2003; Prayag and Ryan 2012; Ryan and Cave 2005; Sun, Ryan and Pan 2015). The importance of qualitative approach is also highlighted by Dolnicar and Grün (2013) who state that “qualitative prestudies to destination image surveys are critical to the valid measurement of image in surveys because they provide insight into the associations people have about the destination entity under study”. Although not explicitly stated, these studies draw on the accessibility-diagnosticity framework assuming that a destination association is more likely to be processed for judgment when the information is relevant to make distinctions between different destinations (Ahluwalia and Gürhan-Canli 2000).

This approach relates back to Echtner and Ritchie (1993) who propose a combination of structured and unstructured methodologies that allow to capture both common and unique destination attributes. This study agrees with the notion that unique attributes should make up DY but instead suggests to label them diagnostic associations as the label ‘unique’ implies that only associations sui generis are used. However, an inclusion of common attributes in the DY scale is more questionable as it is problematic to argue that certain attributes exist that are part of every DY. Indeed, to the best knowledge of the authors, no theoretical or methodological reason has been given common attributes should be included. For example, it is questionable that an attribute like ‘safety’ (e.g., Baloglu and McCleary 1999) is part of every destination’s DY. In other words, not all attributes of a destination that are undoubtedly
true are also necessarily part of the DY, as they are not diagnostic but ‘only’ true. That is, ‘safety’ may not be a diagnostic information for most western destinations as this cue does not enable tourists to make distinctive choices while a ‘lack of safety’ may be indeed a highly diagnostic attribute that is part of the DY for some destinations. This argument is based on the document negativity-bias (Cacioppo and Berntson 1994), arguing that more extreme (mostly negative) attributes have higher diagnosticity.

Against this background, a central tenet of this study is that an unstructured qualitative method should be used to capture a portfolio of accessible and diagnostic attributes that individuals link to a destination, and that this portfolio needs to be developed separately for every destination under investigation. This argument is supported by Beerli and Martin (2004, p. 659) who mention that “the selection of attributes used in designing a scale will depend largely on the attractions of each destination”. An important suggestion therefore is that a DY scale should gauge respondent’s perceptions about the destination itself and not about pre-defined, and therefore potentially irrelevant, destination attributes. Studies that have applied unstructured approaches to collect distinctive attributes are, among others, Stepchenkova and Morrison (2008) or Sun et al. (2015).

While this study argues for varying accessible and diagnostic associations across countries, it views the associations held by various individuals as relatively homogeneous. In other words, while the level of association homogeneity across destinations is expected to be relatively low, the level of association homogeneity toward a particular destination across individuals is expected to be relatively high. Thus, the present research follows a mixed methods approach to capture DY (Echtner and Ritchie 1993) but executes it at a different methodological level. A two-stage measure is proposed for DY in which a qualitative data collection is followed by a quantitative one. The first stage is qualitative and collects the pool of accessible-diagnostic destination associations for the particular destination under
investigation. The second stage is quantitative and measures the strength, diagnosticity and favorability of each destination association on the individual level.

Measurement Model

Existing studies widely agree on applying multi-item measures to the study of DY, thus modeling DY as a multi-dimensional construct that consists of multiple factors (e.g., Baloglu and McCleary 1999; Beerli and Martin 2004). A necessary condition for a multidimensional construct to be well defined and operationalized is that the relations between the overall construct and its dimensions must be specified (Law, Wong and Mobley 1998). Although studies have devoted a big deal of attention to multi-dimensionality of DY measures, the relation of the measured DY construct with their dimensions often remains unclear. Seminal studies on index construction distinguish between two views on how first-order dimensions related to their second-order construct. First, it is often assumed that items (or dimensions) should be manifestations of an underlying construct, and researchers thus seek to identify such items (or dimensions) that best reflect the latent construct. If the latent construct increases, this would be accompanied by an increase of all the items used to measure the latent construct as they are assumed be expressions of it. Such construct are called reflective. However, it may also be appropriate to take a perspective in which the second-order construct is formed by its dimensions. In this case, meaning flows from the dimensions or items to the construct. Consequently, if any of the dimensions increases, the second-order construct would increase as well.

DY is conceptualized as the host of potentially unrelated associations with a destination. As such, and individual’s DY may comprise associations about the nature, the culture or the atmosphere of a particular country. Each of them are stored as mentally accessible cognitions in the mind and contribute independently to the DY construct. That means, an increase in one association may result in an increase of DY, while conversely an
increase of DY is not accompanied by an increase in all the associations linked to it. Against this background, it is proposed to view DY as being determined by a combination of its dimensions (i.e. a composite) and should therefore be a formative construct (Josiassen et al. 2016).

Descriptive vs. evaluative items

Studies that attempt to measure DY should also ensure that descriptive (rather than evaluative) items are used. Thereby, the associations linked to a destination and the evaluation process that draws upon these associations are treated as distinct mental phenomena. A shortcoming of many existing studies is that destination attributes are intrinsically linked to evaluative meaning. Some studies operationalize DY as capturing both the associations individuals hold toward a destination, and the simultaneous evaluation. By doing this, the mental process of evaluation is ascribed in the mental construct of DY. For example, it is assumed that the association ‘multi-cultural’ is always considered as being good, thus positively adding to a positive DY. However, whether a certain association is positively or negatively evaluated is determined by the individual, and thus evaluation may differ among individuals or among the context of the trip (e.g., family or honeymoon trip). As such, the criterion of ambiguity (Fishbein and Ajzen 2011) is violated if the evaluative implication of agreement with an item is ambiguous

Further, measurements of DY are often rather framed as a rating scale and not like a mental representation scale, thus capturing an individual’s judgement of a destination on common attributes (e.g., Baloglu and McCleary 1999; Beerli and Martin 2004; Kim and Richardson 2003; Tigre Moura et al. 2015). These ratings on common attributes are usually captured with Likert-scales and ask respondents to rate a certain destination on attributes, ranging from ‘very good’ to ‘very bad’ or ‘very dissatisfied’ to ‘very satisfied’ (e.g., Prayag and Ryan 2012). Then, an overall destination rating is obtained as an average or sum of the
attribute scores. This operationalization derives from the purpose of these studies which is not to explore or measure a mental representation but to find out individuals’ ratings on specific aspects of the destination. Such a construct should not be called DY, instead, labelling it as ‘destination quality’ or ‘destination attractiveness’ seems to be more appropriate.

Further, the rating-approach also suffers from ‘double denial’. That means, a low rating (i.e. ‘very bad’) of the attribute ‘nightlife’ could either be caused by the individual’s perception that the nightlife in this destination is not good, or that nightlife in general is an unfavorable attribute of a destination. As such, Likert-scales framed like this capture ambiguous meaning and should be avoided (Fishbein and Ajzen 2011). In addition, existing research has used cognitive and affective adjectives, as well as nouns as descriptors of destinations. The present study follows this approach and argues that the portfolio of associations comprises a) cognitive descriptors in order to describe the mostly tangible or physical attributes of a destination, b) affective descriptors in order to describe intangible attributes of a destination, and c) nouns in order to describe unique attributes such as particular attractions.

Unit of Analysis

Further, existing studies are sometimes inaccurate on the unit of analysis. Some studies view destination imagery as a generic construct consisting of generalized associations with the country instead of the country as a tourist destination (e.g., Stepchenkova and Morrison 2008). However, it is plausible that individuals draw on different, that is contextualized, imagery depending on the purpose of the decision to make. In a tourism context, individuals will draw on their DY while in another context, such as the consumer context, other imagery construct may be relevant. For example, the association that Japan manufactures high-quality electronics may be relevant in certain purchase decisions but less important among individuals who consider Japan as their next travel destination.
distinction has also been elaborated in marketing where researchers use conceptually and empirically different constructs to measure the general image of a country and the image of that country as a country-of-origin for products. Theoretically linking this notion to attitude research, the unit of analysis of the DY construct must be the same like the unit of analysis of the outcome variable (i.e. tourist behavior) in order to establish a meaningful relation and meet the criterion of relevance (Fishbein and Ajzen 2011).

**Subject of Analysis**

In addition, existing research has also applied different subjects of analysis to the study of DY. While the unit of analysis refers to the attitude object, the subject of analysis refers to the holder of that attitude. Although it is clear from the discussion in this study that DY is a mental construct that exists in the mind of an individual, other studies draw on academicians and tourism managers to understand the content of DY. In these studies, such experts were consulted to mention potential associations about a destination. While this approach may enable researchers to collect data faster and with more is, it is considered as problematic to measure construct that is assumed exist in the minds’ of potential tourists by not consulting these individuals but others. The present study refers to marketing research that argues for a strict distinction between mental representations hold by individual consumers and those hold my managers (e.g., Keller 1993). Instead of conflating these two constructs, this study argues for DY as a construct that exists in the mind of individuals as potential tourists, and another construct that reflects perceptions about how destination managers think of their destination. Analogously to the marketing literature (Burmann, Jost-Benz and Riley 2009), this second construct may be referred to as the destination identity. Recently, research has undertaken an initial effort to understand this conceptual distinction empirically that should be intensified in the future.
Taking these shortcomings into account while simultaneously incorporating seminal attitude research, this study proposes a three-dimensional evaluative space in which DY is measured. While the qualitative methodology stage captures the portfolio of associations linked to a destination, this portfolio is mentally processed within the three-dimensional evaluative space. The three dimensions are association strength, importance and favorability. Existing studies have often conflated these three dimensions, resulting in ambiguous scales. Association strength captures the ease with which a particular association is brought to mind and considered to represent prototypical meaning of the destination under investigation (Alba and Hutchinson 1987). As such, association strength is a proxy for the level of accessibility of a certain association in the individual’s mind. Measuring the strength of each association that makes up DY is important as research documents that cognitive memory is organized hierarchically with some associations retrieved more easily and faster than others, resulting in higher impacts on behavior (Bargh, Chen and Burrows 1996).

The second dimension of the evaluative process is association importance. This measure captures the contextualized importance an individual attributes to a certain association of DY. Put another way, this measure captures the level of relevance of a particular attribute for the individual’s decision to visit that destination or not. Although association strength and importance are likely to be correlated, the two dimensions are distinct (Ajzen 2001). For example, an association like ‘Great Wall’ may be a very accessible and stereotypical association for China as a destination (i.e. high association strength), but may be at the same time rather unimportant compared to other associations individuals hold in their DY. The third dimension in the evaluative space of DY is association favorability. Favorability reflects what many studies of DY attempt to measure, i.e. an isolated judgment of whether a particular association is favorable or not for the individual. That means, favorability reflects the value that individuals attach to each association. For example, the
attribute of ‘cheap’ can be a very favorable one for some individuals, but even a negative one for other individuals that seek exclusivity or luxury. In conclusion, the three-dimensional evaluative space of DY proposed herein reflects the logic of the EVM which argues that individuals mentally process the favorability of destinations associations in interaction with the strength and importance of these associations (Ajzen and Fishbein 2000).

Taking these shortcomings into account, this study draws on the EVM and proposes a two-dimensional evaluative space in which DY is measured. While the qualitative methodology stage captures the portfolio of associations linked to a destination, each association of this portfolio is then mentally processed in terms of association valence and association strength (Ajzen 2001). Association valence reflects the subjective degree of positivity or negativity (Ajzen and Fishbein 2000) that an individual attaches to an association. As discussed, a priori assuming the valence of specific associations is not meaningful. Association strength is defined as the subjective probability of a link between an association and the destination. The higher this probability, the stronger, more accessible and diagnostic is the particular destination association for an individual. Measuring the strength of each association that makes up DY is important as research documents that cognitive memory is organized hierarchically with some associations retrieved more easily and faster than others, resulting in higher impacts on behavior (Bargh, Chen and Burrows 1996).

In order to ascertain the strength and valence for each association the respondents were asked these questions: How much do you relate this attribute to [country] as a tourist destination? and For you as a tourist in [country], would this attribute be negative or positive? Both items are measured on Likert scales ranging from not at all (0) to very much (6), and very negative (-3) to very positive (3). In accordance with the EVM, the valence of an association contributes to DY in direct proportion to the person’s subjective confidence that the destination
possesses the attribute in question. DY is measured in the following manner (Fishbein and Ajzen 1975):

\[ DY = \sum \text{Strength}_i \times \text{Valence}_i \]

This approach captures the evaluative association valence and the strength of the association link to the destination independently and thus overcomes the double denial challenge that often conflates empirical tests of association strength and association valence.

3.4.2 The destination image scale

Existing studies broadly agree on measuring the overall evaluative destination representation as a bi-polar, unidimensional and reflective construct (e.g., Josiassen and Assaf 2013). While this study agrees with these aspects of the operationalization of DI, two shortcomings remain. First, DI should be measured only with cognitive and not affective items. Increasing evidence highlights the necessity of distinguishing between cognitive and affective evaluations (Ajzen 1991). However, many studies have used both affective as well as cognitive items to measure DI, thus conflating affective and cognitive evaluations (Sparks and Pan 2009). Second, some studies measure DI with a one-item scale (e.g., Assaker et al. 2011). However, single-item scales severely limit researchers’ ability to ascertain measure quality. Furthermore, recent evidence demonstrates that multi-item scales significantly outperform single-item scales in terms of predictive validity suggesting that single-item scales should be avoided in social sciences (Diamantopoulos, Sarstedt, Fuchs, Wilczynski and Kaiser 2012). Thus, we strongly suggest that tourism researchers use multi-item scales rather than single-item scales when measuring latent constructs.
All things considered, taking a holiday to [country] is... (7-point Likert-scale)

1. good/bad

2. positive/negative

3. favourable/unfavourable

4. worthwhile/not worthwhile

Drawing on existing studies that attempt to capture an individual’s overall evaluative predisposition toward a destination or other objects (Bagozzi et al. 2001; Eagly et al. 1994; Josiassen and Assaf 2013), we propose the above scale for DI.

3.4.3 The destination affect scale

In contrast to the cognitive components of the mental destination representation, no study exists that employs a proper measure for an affective component. In particular, tourism studies that conceptually distinguish destination affect from cognition fall short on sufficiently implementing this distinction at the operational stage. As such, this study proposes the first scale for integral affect that individuals experience toward a destination, labeled destination affect (DA). Existing tourism studies that argued to allegedly measure affect, feelings or emotions toward a destination (e.g., Baloglu and McCleary 1999; Hallmann et al. 2013; Prayag and Ryan 2012; Stepchenkova and Li 2014) is almost exclusively based on the circumplex model by Russel and Pratt (1980). As outlined in the conceptualization of DA, a key problem of such studies is the conflation of affective descriptors of a destination and actual affect felt toward a destination. The affective components of mental destination representations have been measured by asking respondents to describe a destination with the semantic differentials “gloomy-exciting,” “unpleasant-pleasant” and “distressing-relaxing” or “sleepy-arousing” (Baloglu and McCleary 1999).
While it is widely acknowledged that Russel’s framework can capture “a description of the affective quality attributed to environments” (which is the title of Russel and Pratt’s seminal study from 1980), it does not measure affect individuals feel toward a destination. Drawing on this notion, three crucial problems can be identified in the measurement of the affective destination component. First, asking respondents to describe a destination as ‘gloomy-excitng’ (e.g., Baloglu and McCleary 1999) simply means that this item reflects respondent’s agreement to describe the destination as ‘gloomy-excitng’. Although this notion seems obvious and intuitive, tourism research has interpreted this item as if the respondent indicates feeling personally gloomy or excited toward the destination. Likewise, one can describe a destination as ‘pleasant’ without feeling pleasure, ‘relaxing’ without feeling relaxed or ‘lovely’ without feeling love. This highly problematic view becomes even more apparent with the observation that some studies use the same items in both the DY and the DA scale. For example, some studies (del Bosque and Martin 2008; Stylidis et al. 2015) use the item ‘pleasant’ both in the cognitive as well as in the allegedly affective scale.

Second, studies measuring the affective component have aggregated it to an overall evaluative construct by summing up respondents’ answers over the four bipolar items. However, this is problematic for two reasons. First, the affective GRID consists of two dimensions, valence and arousal, that cannot be meaningfully aggregated in an algebraic function, and thus would reflect a profile construct (Edwards 2001). Aggregating the dimensions of arousal and valence to an overall evaluative composite score is impossible as high or low arousal is not implicitly positive or negative (Russell 2003). The second reason why this measure is problematic is again reflected by the criterion of unambiguity. Assuming that ‘relaxing’ is positive is problematic as it may have a negative connotation for some individuals (i.e. ‘boring’). The existing measure of affect becomes even irrational as both
‘relaxing’ and ‘exciting’ add to the positivity of the overall affective construct in many studies (e.g., Baloglu and McCleary 1999; Kim and Richardson 2003).

Third, it is questionable whether arousal is a dimension of DA at all. While arousal has traditionally been an important dimension in self-reported emotional states such as moods (Russell and Barrett 1999), it is rarely used in studies that investigate more stable feelings, such as affective predispositions toward objects (e.g., Cuddy et al. 2007; Fiske, Cuddy and Glick 2002). This dualistic view on measuring affect is highlighted by Robinson and Clore (2002) who state that “emotions are momentary experiences that are intimately tied to the ebb and flow of everyday life, but people also possess generalized beliefs about their emotions” (p. 934). An implication of this notion is that the experience of arousal, which is often thought to be based on the activation of the sympathetic nervous system can neither be stored nor retrieved. Likewise, research documents that individuals have comparatively poor access to their bodily reactions (Pennebaker 2000) and emotion theorists allow for the possibility that affect can occur without arousal (e.g., Bagozzi, Gopinath and Nyer 1999). Against this background and in line with the seminal studies on affect in social psychology, this study does not measure arousal as a dimension of DA, but instead concentrates on the valence of the affect, in the sense feeling qualia (Scherer 2005).

Another problematic issue is that existing studies often adapt Russel and Pratt’s (1980) framework by adding other allegedly ‘affective’ items to their scale to measure the so-called ‘affective component’. For example, items such as ‘friendly/hospitable people’ (Tigre Moura, Gnoth, and Deans 2015) do not imply affect as a respondent may think that the people are friendly but still does not like the country. This problematic operationalization becomes apparent as other studies (correctly) follow the view to operationalize ‘friendly local people’ (Stylidis, Belhassen and Shani 2015) as a cognitive item, and thus as part of DY. As long as
such conflicts exist in the tourism literature and the same items are used for different constructs, the progress of the whole research are is significantly hampered.

Against this background, the present study proposes a theoretically sound operationalization of DA that is oriented along established methodological approaches. Researchers often divide feelings into two dimensions and document that they load on two factors: positive and negative affect (e.g., Westbrook and Oliver 1991). Further, studies that directly measure integral affect and its effect on behavior refer to it as positive or negative feelings but not complex emotions (Peters, Lipkus and Diefenbach 2006). In addition, marketing literature (e.g., Verlegh 2001) measures the affective component of country image along positive and negative affect. Further, research argues and finds that positive and negative affect is better measured by using bipolar rather than unipolar items (Feldman Barrett and Russell 1998). Applying the seminal semantic differential scale (Osgood 1952) and drawing on existing literature that measures affect toward an object (e.g., Bagozzi, Lee and Loo 2001), DA is understood as a first-order reflective construct and measured as follows:

*All things considered, which of the following feelings do you harbor toward the destination [country]? (7-point Likert-scale)*

1. like/dislike
2. pleasure/displeasure
3. attraction/repulsion
4. comfort/discomfort

Again, it is important to point out that affect is conceptually and empirically different from cognitive evaluation and should therefore be measured as distinct constructs. The reason why many studies attempt to lump together affective and evaluative items to form
unidimensional scales can be traced back to the observation that Fishbein and Ajzen (1975) and other early social psychologists have “regarded affect as isomorphic with evaluation itself and used the terms interchangeably” (Eagly and Chaiken 1993, p. 12; but note that Fishbein and Ajzen 2011 moved away from this conception). However, comprehensive evidence suggests that, while frequently positively correlated, measures of affect and evaluation are distinct (Crites, Fabrigar and Petty 1994).

An important additional notion is that DA is distinct from Hosany et al.’s (2010) destination emotion scale (DES) as the unit of analysis as well as the context of the two constructs differ. While Hosany et al. (2010) use, like this study, a theoretically sound measure to capture respondent’s emotions toward a destination, these emotions occur as an outcome of a visit to that destination. Accordingly, the DES does not capture integral affect toward a destination but complex emotions that individuals have experienced during their visit or as a post-visit experiential state.

3.5 Method

This study tested the DCM in a qualitative and subsequently a quantitative study. While the components DA and DI, and the three outcome variables willingness-to-visit (WTV), word-of-mouth (WOM) and willingness-to-pay (WTP) can be directly measured in the questionnaire with existing scales, the association pool for DY needs to be developed in a qualitative study for each destination separately. The DCM is tested in the context of the two destinations Germany and Spain. While Germany is the seventh-biggest tourist destination in the world, to the best of our knowledge, this is the first time in the literature than tourists’ mental destination representations of Germany are investigated. The image of Spain has only
been sparsely investigated with generic associations (Andreu, Bigné and Cooper 2000). Both the qualitative and quantitative studies were carried out in an urban region in Denmark.

3.5.1 Qualitative study

The aim of the qualitative study was to collect destination-specific and salient associations that individuals link to the tourist destinations Germany and Spain. For each of the two destinations, 25 semi-structured interviews, balanced in gender and age, were conducted that lasted 20 to 45 minutes. Interviews were conducted with an interview guide in line with Echtner and Ritchie’s (1993) approach. This approach allows respondents to think freely about the destination and to describe their associations in their own words.

Whenever respondents used generic descriptive terms such as, ‘interesting’ or ‘colorful’ the interviewer probed to elicit more specific associations which gave cause to the generic descriptor. Synonymous expressions were grouped together under one label using two criteria: a) best representative of the underlying meaning, and b) most frequently mentioned (Stepchenkova and Morrison 2008). Associations that were frequently mentioned (in this study by more than 20 percent of the interview partners) yielded 18 associations for Germany (e.g., ‘rainy weather’, ‘Berlin’, ‘good infrastructure’) and 13 associations for Spain (e.g., ‘hot climate’, ‘friendly people’, ‘beautiful beaches’) that were then used in the quantitative study.

3.5.2 Quantitative study

A questionnaire was constructed which contained items to measure DY, DA, DI and the outcome variables WTP, WOM and WTV, as well as age, and gender. Potential respondents were randomly approached using a field intercept method. A total of 175 usable questionnaires were collected for Germany, and 162 for Spain. The surveyed respondents comprised of 44.8% of males for Germany and 47.5% for Spain, with the majority having visited Germany (97%), respectively Spain (93%) before. In terms of age, 33.4% (58.7%) of
the respondents for Spain (Germany) were between 18 and 29, 22.8% (18.9%) between 30 and 39, 21.6% (14.4%) between 40 and 49, and 22.2% (8.0%) 50 and older.

For the formative DY construct, each of the attributes identified in the qualitative study was measured along ‘association strength’, and ‘association valence’, resulting in 18 and 13 for Germany and Spain respectively. Table 3 provides further details from the attitudinal strength-valence (ASV) analysis.

Table 3: ASV analysis of DY attributes for Germany and Spain

<table>
<thead>
<tr>
<th>Attributes for Germany</th>
<th>Strength (mean)</th>
<th>Valence (mean)</th>
<th>Valence (std)</th>
<th>VIF S*V</th>
</tr>
</thead>
<tbody>
<tr>
<td>Everything is in order</td>
<td>4.53</td>
<td>1.87</td>
<td>1.08</td>
<td>1.69</td>
</tr>
<tr>
<td>Oktoberfest</td>
<td>4.59</td>
<td>1.18</td>
<td>1.73</td>
<td>1.22</td>
</tr>
<tr>
<td>Good infrastructure</td>
<td>4.75</td>
<td>2.13</td>
<td>0.98</td>
<td>1.77</td>
</tr>
<tr>
<td>Berlin (Berliner Wall, Brandenburger Tor)</td>
<td>5.14</td>
<td>2.04</td>
<td>1.13</td>
<td>1.35</td>
</tr>
<tr>
<td>Ambitious working attitude</td>
<td>4.02</td>
<td>0.91</td>
<td>1.38</td>
<td>1.42</td>
</tr>
<tr>
<td>Beautiful nature</td>
<td>3.77</td>
<td>1.68</td>
<td>1.16</td>
<td>1.30</td>
</tr>
<tr>
<td>German food (sausages, meat)</td>
<td>4.07</td>
<td>0.59</td>
<td>1.70</td>
<td>1.14</td>
</tr>
<tr>
<td>Ease of communication</td>
<td>3.33</td>
<td>1.09</td>
<td>1.50</td>
<td>1.95</td>
</tr>
<tr>
<td>Friendly people</td>
<td>3.97</td>
<td>1.63</td>
<td>1.29</td>
<td>2.19</td>
</tr>
<tr>
<td>Big country</td>
<td>4.33</td>
<td>0.95</td>
<td>1.34</td>
<td>1.74</td>
</tr>
<tr>
<td>City vacation</td>
<td>4.59</td>
<td>1.60</td>
<td>1.30</td>
<td>1.89</td>
</tr>
<tr>
<td>Cheap</td>
<td>3.60</td>
<td>1.42</td>
<td>1.50</td>
<td>1.38</td>
</tr>
<tr>
<td>High Urbanization</td>
<td>4.03</td>
<td>0.82</td>
<td>1.41</td>
<td>1.52</td>
</tr>
<tr>
<td>Historical places &amp; buildings</td>
<td>4.63</td>
<td>1.77</td>
<td>1.23</td>
<td>2.39</td>
</tr>
<tr>
<td>Cold weather</td>
<td>3.23</td>
<td>-0.38</td>
<td>1.54</td>
<td>2.17</td>
</tr>
<tr>
<td>Rich history (World War I and II, East and West)</td>
<td>4.85</td>
<td>1.64</td>
<td>1.41</td>
<td>2.44</td>
</tr>
<tr>
<td>Rich culture</td>
<td>4.26</td>
<td>1.52</td>
<td>1.30</td>
<td>1.96</td>
</tr>
<tr>
<td>Rainy weather</td>
<td>3.14</td>
<td>-0.75</td>
<td>1.58</td>
<td>2.11</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Attributes for Spain</th>
<th>Strength (mean)</th>
<th>Valence (mean)</th>
<th>Valence (std)</th>
<th>VIF S*V</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunny weather</td>
<td>5.31</td>
<td>2.18</td>
<td>1.24</td>
<td>3.82</td>
</tr>
<tr>
<td>Hot climate</td>
<td>5.02</td>
<td>1.89</td>
<td>1.34</td>
<td>4.16</td>
</tr>
<tr>
<td>Spanish food (Paella, Tapas)</td>
<td>5.01</td>
<td>1.29</td>
<td>1.73</td>
<td>2.01</td>
</tr>
<tr>
<td>Cultural Traditions</td>
<td>3.82</td>
<td>0.85</td>
<td>1.50</td>
<td>2.05</td>
</tr>
<tr>
<td>Friendly people</td>
<td>4.03</td>
<td>1.69</td>
<td>1.09</td>
<td>2.27</td>
</tr>
<tr>
<td>Wine (Sangria, Rioja)</td>
<td>4.60</td>
<td>1.39</td>
<td>1.57</td>
<td>2.16</td>
</tr>
<tr>
<td>Relaxed lifestyle</td>
<td>4.69</td>
<td>1.75</td>
<td>1.19</td>
<td>1.58</td>
</tr>
<tr>
<td>Touristy</td>
<td>4.26</td>
<td>-0.38</td>
<td>1.73</td>
<td>1.23</td>
</tr>
<tr>
<td>Rich Art (Dali, Picasso)</td>
<td>3.77</td>
<td>0.75</td>
<td>1.61</td>
<td>1.47</td>
</tr>
<tr>
<td>Vibrant nightlife</td>
<td>4.08</td>
<td>1.10</td>
<td>1.61</td>
<td>2.06</td>
</tr>
<tr>
<td>Barcelona (Sagrada Familia, La Rambla)</td>
<td>4.89</td>
<td>1.50</td>
<td>1.31</td>
<td>1.75</td>
</tr>
<tr>
<td>Lively atmosphere</td>
<td>4.63</td>
<td>1.51</td>
<td>1.37</td>
<td>2.31</td>
</tr>
<tr>
<td>Beautiful beaches</td>
<td>4.06</td>
<td>1.55</td>
<td>1.15</td>
<td>1.61</td>
</tr>
</tbody>
</table>

DA and DI were measured with the 4-item scales proposed earlier in this study. The measures for the three behavioral variables were adapted from previous marketing research. Willingness-to-pay (WTP) was adapted from Zeithaml, Berry and Parasuraman (1996).
Word-of-mouth (WOM) was adapted from the scale by Arnett, German and Hunt (2003). Willingness-to-visit (WTV) was adapted from established willingness-to-buy scales in marketing (Josiassen 2011). All reflective scales show good composite reliability in both samples as indicated by their internal consistency coefficients (Germany: DA .93, DI .94, WOM .96, WTV .95, and WTP .92; Spain: DA .94, DI .94, WOM .96, WTV .94, and WTP .91). An examination of the reflective constructs also shows that all factor loadings are above 0.7 indicating good indicator validity.

When examining the reflective aspects of the model there were no serious cross-loadings from the reflective constructs to indicators meant to indicate any of the other reflective constructs. To investigate discriminant validity further we applied Fornell and Larcker’s (1981) criterion. For every possible pair of reflective constructs in the model average variance extracted (AVE) was greater than the squared correlation coefficient between them, thus indicating good discriminant validity. To ascertain if multicollinearity was a threat we tested for variance inflation. All variance inflation factors (VIF) were below 4, and thus clearly below the critical threshold of 10 indicating that collinearity is not a problem. The model further explains a substantial portion of the variance in the dependent variables for Germany (DA .36, DI .71, WOM .62, WTV .46, and WTP .19) and Spain (DA .563, DI .730, WOM .44, WTV .48, and WTP .15). As shown in Table 4, all five reflective constructs showed excellent composite reliability, convergent validity, and factor loadings of all constructs being above .7 (see Figure 3). In total, the data and the proposed model indicate adequacy for hypothesis testing.
Table 4: Reliability and convergent validity of measured variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Composite reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Germany</td>
<td>Spain</td>
</tr>
<tr>
<td>DA</td>
<td>.92</td>
<td>.94</td>
</tr>
<tr>
<td>DI</td>
<td>.94</td>
<td>.94</td>
</tr>
<tr>
<td>WTV</td>
<td>.95</td>
<td>.94</td>
</tr>
<tr>
<td>WOM</td>
<td>.96</td>
<td>.96</td>
</tr>
<tr>
<td>WTP</td>
<td>.92</td>
<td>.91</td>
</tr>
</tbody>
</table>

The hypotheses were tested using partial least squares path modelling (PLSPM) bootstrapped using 500 samples. PLSPM was chosen over other path modelling techniques because the formative construct is formed by many indicators relative to sample size, and because of its ability to handle models with formative aspects (Hair, Sarstedt, Hopkins and Kuppelwieser 2014). Over the last decade, PLSPM has gained increasing attention from researchers, and in particular, dissemination in marketing research (Hair, Sarstedt, Ringle and Mena 2012). While PLSPM cannot provide reliable model fits yet, researchers increasingly rely on its results in structural equation modelling, instead of, or complementary to, covariance-based SEM analyses (Hair, Hult, Ringle, Sarstedt and Thiele 2017) such as those conducted in AMOS or LISREL. Models for Germany and Spain respectively were tested. For each hypothesis the results for the two samples are reported.

Overall, we found strong support for the DCM across both datasets (see Figure 3). The results show that DI positively affects behavioral intentions, thus supporting H1. Specifically for destination Spain, DI positively relates to WOM (.36, p < .01), WTV (.38, p < .001), and even to WTP (.29, p < .05). It might be argued that willingness to pay a higher price for a trip to one destination over another, signals a greater commitment than willingness to visit and to recommend. For destination Germany, DI positively relates to WOM (.40, p < .001), and WTV (.27, p < .01). However, the relationship between DI and WTP is not significant (.12, n. s.). Thus, for this dataset H1a and H1b are confirmed while H1c could not be confirmed.
After establishing that DI affects tourist behavior, we tested whether DI is driven by individuals’ DY as asserted by H2. The results show that for both destination Spain (.29, p < .001) and Germany (.18, p < .01) DY is a strong driver of DI. Therefore H2 is confirmed. In regards to H3, the path from DY to DA is significant and positive both for Spain (.75, p < .001) and Germany (.60, p < .001). This result also further indicates external validity of the DY measure. The study also explored the potential for DA to drive DI, and for both Spain (.61, p < .001) and Germany (.73, p < .001) this link is significant. These findings fully confirm H3 and H4.

Finally, in regards to the relationship between DA and tourist behavioral intentions the results show that for destination Spain, DA positively relates to WOM (.33, p < .01), and WTV (.34, p < .01). The link to WTP (.29, p > .10), however, was not significant. For destination Germany, DA positively relates to WOM (.42, p < .001), WTV (.44, p < .001), and to WTP (.33, p < .05). Combined these results confirm H5a and H5b, and partially
confirm H5c. These results collectively indicate that the DCM is a statistically valid and robust model to understand individuals’ mental destination representations and related behavioral intentions.

3.6 Discussion and Future Research

The present study answers a frequent call for more theory-based research on ‘destination image’ which is in line with state-of-the-art knowledge from psychology, marketing and other disciplines. Several tourism researchers have noted this gap, and state that research efforts on ‘destination image’ are often “insufficiently theory-based, resulting in a lack of framework or solid conceptualization” (Beerli and Martin 2004a, p. 658). In response, the present study introduces the destination content model and provides a blue-print for future studies on individuals’ mental destination representations. By applying seminal studies from psychology, the present study contributes to strengthen the link between tourism research and psychology research as “a greater degree of reciprocal interest between psychologists and tourism scholars can only benefit both parties” (Pearce and Stringer 1991, p. 149). The DCM comprises three components of mental destination representations that existing literature has often conflated under the common label ‘destination image’.

In conclusion, this study argues that it might be for good reason that tourism researchers have used several approaches to conceptualize and operationalize ‘destination image’. Since one concept is not able to appropriately represent the complexity of mental destination representations, the DCM comprises descriptive as well as evaluative, and affective as well as cognitive components, and links them to tourist behavior. As such, it addresses the important needs of researchers to understand “how tourists think, feel and behave.” (Pearce and Packer 2013, p. 386).
We urge future research to investigate the mental information processes that exist between the three components of the DCM, the potential antecedents and outcome variables. While the DCM conceptualizes the structure and components of the mental destination representations, future research needs provide an understanding of the mental processes that exist among these mental structures. While the DCM comprises three mental components, the processes by which each component drives behavioral intentions and under which conditions are still in need of understanding. Consider, for example, the case where an individual has an overall positive evaluation of a destination but still feels uncomfortable visiting it. In another example, an individual may not be capable or motivated to envision all attributes of potential destinations, but is still eager to make a satisfactory decision based on a ‘rule-of-thumb’. In order to predict tourist behavior, research is needed to investigate how the three components of the DCM interact and are mentally processed.

Another related research area for tourism that may benefit from the DCM framework is the one of metacognitive experiences in tourist decision-making. While the DCM comprises declarative mental content linked to destinations, the ease and fluency with which this mental content is processed may be informative in its own right. For example, an individual may hold various associations about a destination that make up his or her DY, and thus feel mentally overwhelmed by this infobesity. This experiential state of information-overload is a metacognitive experience and may affect decision-making beyond and in addition to the declarative meaning of DY. Thus, incorporating metacognitive experiences in tourist decision-making and the DCM may yield new insights into how individuals make decisions among destinations (Schwarz 2004). While the present study conceptualizes the DCM from a tourist perspective, it may also be worthwhile to measure it among other stakeholders such as tourist managers (e.g., Stylidis et al. 2015). Further, the DCM may also enhance researchers’ understanding of mental representations beyond the tourism literature.
Chapter Four: Country Biases - Investigating Tourism

Ethnocentrism and its Effects on Tourist and Resident Behavior

4.1 Introduction

Recent years have witnessed a rise in patriotic tendencies the world over. The central tenet is that the own country should come first and be supported by those who associate with it. This reinvigorated ethnocentrism is evidenced by recent social and political developments. For example, the Brexit was fueled by a wish to refocus on national interests instead of European interests. Similarly, the American election was characterized by the credo ‘America First’. These recent developments reflect the deep resonance of ethnocentrism in public consciousness, and people’s need to orient themselves in a globalized world. While the important implications of this development are extensively discussed in the media and by political academicians, there has been little mention, let alone substantial investigation, of the potential effects of this home country bias on tourists’ and residents’ behavior. If ethnocentrism can lead to political upheaval and divisions of societies, it is feasible that it may also affect tourists’ intention to spend the holiday in their own country instead of a foreign one.

An important vehicle through which people can express a home country bias are their consumption preferences (Josiassen 2011; Verlegh 2007). Indications of this phenomenon can be found in the ‘Made in Australia’ (started in 1986) or the recently reemphasized ‘Buy American’ campaign, through which ethnocentric consumption motives are triggered. Accordingly, individuals who strongly associate with their home country may prefer domestic...
consumption options in order to economically support their domestic country and its inhabitants. We suggest that ethnocentric predispositions also exist in the tourism domain, among both tourists and residents, and shape their predispositions and behavior.

This study introduces and provides an initial empirical investigation of the tourism ethnocentrism (TE) phenomenon which is defined as *an individual’s prescriptive beliefs and felt moral obligation to support the domestic tourism economy*. TE is conceptually and empirically different from destination image; while destination image captures tourists’ beliefs about the quality and features of a destination, the home country bias TE reflects individuals’ normative predispositions related to other reasons than destination quality and features. The label ‘bias’ implies that the predisposition is unjustifiable in the sense that it goes beyond objective quality criteria. In this way, the present study contributes to the literature on tourist behavior and mental destination representations (e.g., destination image and destination imagery) by outlining a second important pathway through which a destination cue can affect tourists’ preferences. Importantly, while the area of intergroup bias has attracted tremendous attention from social psychology researchers who aim to understand human behavior, the literature on tourist and resident behavior remains almost completely uninformed by these theories. By supplementing our understanding of tourist and resident behavior through the lens of intergroup bias, we reiterate Pearce and Stringer’s (1991) important contention that tourism is essentially a social psychological phenomenon in which “people’s tourism behavior will derive from primary or secondary groups to which they belong” (p. 147).

4.2 Introducing Tourism Ethnocentrism

Due to the globalization trend and lower travel costs in particular, the tourism industry is becoming increasingly global and offers tourists more destination and price point options
than ever before. This development opens up new opportunities for tourism managers while putting them under increased pressure from international competitors at the same time. Traditionally, both tourism managers and academicians have used established, yet powerful marketing approaches to understand tourist behavior and decision-making. Most of these approaches, such as destination image, rest on the intuitive notion that tourists select a destination because of objective quality and value considerations. These approaches follow the seminal assumption that individuals aim to maximize their utility and choose the option that best meets their individual travel and vacation needs. In contrast to this assumption and in line with seminal social psychological accounts, we suggest that tourists may not always use quality or value considerations for decision-making but are rather guided by a group-based bias that goes beyond such considerations.

When people allocate resources among other individuals (e.g., money, power, knowledge, attention), they often base their choice on characteristics of the potential recipients. One of the most important and salient characteristics of the recipient is his or her group-membership. Social psychologists have comprehensively investigated intergroup behavior and intergroup biases over the last four decades (e.g., Balliet, Wu and De Dreu 2014; Hewstone et al. 2002; Tajfel 1982) to understand various political and social phenomena that have severe consequences for societies. Intergroup bias is a general yet not universal construct that social psychology differentiates in in-group bias and out-group bias (Buttelmann and Böhm 2014; Brewer 1979). In particular, intergroup biases can take the form of favoring the in-group (i.e. positive in-group bias) or derogating an out-group (i.e. negative out-group bias). Importantly, in-group attraction and out-group derogation are not reciprocally related, and people can strongly favor the in-group without necessarily holding a negative attitude toward out-groups (Brewer 1999).
As early as 1954, the famous social psychologist Gordon Allport postulated in his book ‘The Nature of Prejudice’ in the chapter ‘Ingroup Formation’ that in-group members are ‘psychologically primary’ in the sense that individuals who belong to the same group are prone to favor and help each other. From an evolutionary perspective, environmental challenges present in our past have propelled ancestral humans toward life in highly interdependent and cooperative groups (Schaller and Neuberg 2008). The formation and demarcation of groups based on race, religion or nationality, among others, is therefore a crucial survival-relevant mechanism that offers the individual resources (benefits) in exchange for other resources (costs). As such, an in-group bias that favors the in-group does not exist causa sui but serves an instrumental function for group members that engage in mutual cooperation and mutual obligation (Scheepers, Spears, Doosje and Manstead 2006). The instrumental function of in-group bias is context-dependent and may manifest in various situations and even among children (Buttelmann and Böhm 2014). For example, in their seminal study which became known as the Robbers Cave Experiment, Sherif and Sherif (1953) document an in-group bias of resource allocation between two groups of boys in a summer camp.

Ethnocentrism is a positive in-group bias that reflects the systematic favoritism of the own nation or its members over other nations (Sumner 1908). We suggest that both domestic tourists and residents may harbor such a systematic in-group bias that manifests in the prescriptive belief, and felt moral obligation, that the domestic tourism economy should be supported. For ethnocentric tourists, spending a holiday at a domestic destination is socially expected and a way to secure domestic jobs. For ethnocentric residents, supporting domestic tourism development is another, yet indirect, way to do so. Thirty years ago, marketing research introduced the concept of consumer ethnocentrism which “captures the beliefs held by consumers about the appropriateness and indeed morality of purchasing foreign-made products” (Shimp and Sharma, 1987, p. 280). Ethnocentric consumers believe that imports
should be taxed heavily, and only very little trading should happen between countries in an effort to decrease the harmful impact of imported products on the domestic economy.

While TE is a positive instrumental in-group bias that is specifically concerned with the domestic tourism economy and its stakeholders, consumer ethnocentrism includes contempt toward products from other countries and gives the individual a sense of identity and feelings of belongingness (Shimp and Sharma 1987). Further, consumer ethnocentrism focuses on the competition between domestic and foreign products and reflects consumers’ concerns with the harmful effect of imports on the domestic economy. In line with recent research on in-group biases from social psychology (Lowery, Unzueta, Knowles and Goff 2006; Hammond and Axelrod 2006) and marketing (Josiassen 2011), TE reflects the active support of the in-group in the tourism context. As such, consumer ethnocentrism is not appropriate to investigate an active preference for domestic destinations.

In order to uncover the nature and existence of this phenomenon, we first conducted 17 interviews in the US through a street intercept. Informants were asked about their next holiday destination and, given that the US was mentioned, asked for their motives to take a domestic holiday. Exemplary statements that indicate the existence of a TE bias are show in Table 5.
Table 5: Statements yielded by the interviews

<table>
<thead>
<tr>
<th>Exemplary statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>“I spend my holiday here in America in order to support Americans who work in the tourism industry.” (R3)</td>
</tr>
<tr>
<td>“Tourism is a big business, whole cities and millions of people in the US depend on it. Our duty is to support them.” (R8)</td>
</tr>
<tr>
<td>“If I spend my holiday here in the US, the money will stay here and create new jobs, everybody benefits, it’s that simple.” (R12)</td>
</tr>
<tr>
<td>“Vacationing abroad only makes other countries richer. These people don’t come to the US, so why should we go and leave our money there?” (R13)</td>
</tr>
<tr>
<td>“I support our local tourism, it comes down to all of us to make America great again.” (R16)</td>
</tr>
<tr>
<td>“I don’t travel to Canada for vacation, I earn my money here and I spend my money here. We Americans gotta stick together.” (R6)</td>
</tr>
</tbody>
</table>

The initial interviews provide exploratory indication of the existence of TE and also give signs of its potential to color destination choices. Specifically, ethnocentric tourists and residents 1) distinguish between ‘us’ and ‘them’, 2) understand their travel behavior as a means to support the domestic country, and 3) are concerned with and feel obliged to help fellow citizens who work in and depend on the domestic tourism economy. Further, the interviews indicate that ethnocentric tourists do not evaluate domestic destinations on their own merits (i.e. based on quality considerations and features), and may even go as far as paying a higher price for a domestic destination that is comparable to foreign ones. From the perspective of ethnocentric tourists, booking a domestic holiday is a patriotic duty that keeps jobs in the US and benefits the economy, thus qualifying for an instrumental in-group bias that is functional in itself (Scheepers et al. 2006). Importantly, ethnocentric tourists internalize solidarity with the domestic tourism economy and call for conformity and cooperation from other in-group members, thereby echoing social psychologists’ conceptualization of mutual cooperation and obligation of in-group behavior (Brewer 1999).
4.3 Conceptual Framework and Hypotheses

Existing research documents that ethnocentric tendencies do not exist for their own sake but are functional in the way that they motivate individuals to act in line with them. This study sets out to provide an initial test of TE and whether it matters in predicting tourists’ and residents’ predispositions and behavioral intentions toward domestic tourism. We refer to these predispositions and behavioral intentions as tourism related outcomes (TRO). Our framework is anchored in seminal psychological accounts of attitude theory (Ajzen 2001; Heider 1958), suggesting that individuals seek consistency between their predispositions and their behavior. Drawing on the incidents from our interviews as well as related marketing literature (Josiassen 2011; Klein, Ettenson and Morris 1998), we suggest that ethnocentric tourists, who believe that the domestic tourist economy should be supported, have a higher willingness to spend their own holiday at a domestic destination. This contention is in line with numerous studies in which marketing researchers found that ethnocentrism is a prevalent and important motive for consumers to buy domestic products instead of imports (e.g., Josiassen, Assaf and Karpen 2011; Shankarmahesh 2006; Verlegh 2007). We selected willingness to engage in domestic tourism as a behavioral outcome because of its wide use in tourism research and its centrality for both tourism academicians and tourism managers. We thus forward the following hypothesis for testing:

H1: TE has a positive effect on tourists’ willingness to engage in domestic tourism.

Implicit to an instrumental bias is that its effectiveness depends on the mutual cooperation and solidarity of fellow in-group members. Thus, whether TE proves to be effective also depends on whether it is visible and motivational to other in-group members (Scheepers et al. 2006). Accordingly, ethnocentric tourists are interested in convincing others, leading us to suggest that TE has consequences in an intra-group communication context. This communication may manifest in tourists’ inclination to provide positive word-of-mouth
(WOM) about taking a domestic holiday. WOM is an important variable both for tourism and marketing researchers, and consumers engage in it for functional benefits (Lovett, Peres and Shachar 2013). In the case of TE, WOM sheds light on the process by which TE can spill over to other, non-ethnocentric individuals, thus increasing its effect on tourist behavior.

H2: TE has a positive effect on positive word of mouth about domestic tourism.

In addition to investigating TE’s influence on tourists’ behavioral intentions, a second important and highly relevant research stream has examined residents’ predispositions toward tourism in their home country (e.g., Rasoolimanesh, Roldán, Jaafar and Ramayah 2017; Vargas-Sanchez, Porras-Bueno and Plaza-Mejia 2011). Investigating residents’ perceptions of tourism is important because understanding what causes residents to support or oppose domestic tourism is a crucial factor in tourism industry’s growth and success. We put forward that TE does not only matter in coloring individual’s perceptions as tourists, but may also drive the perceptions of residents toward tourism. As such, TE may play an important role in terms of shaping attitudes toward tourism, for both tourists and residents.

Conceptually, we separate residents’ attitudes toward tourism into a) residents’ predispositions toward tourism development and b) residents’ predispositions toward incoming tourists as individuals. Predispositions toward tourism development refer to residents’ perceptions about benefits and costs from tourism and are therefore anchored in social exchange theory (Andereck, Valentine, Knopf and Vogt 2005; Perdue, Long and Allen 1990; Woo et al. 2015). In contrast, residents’ predispositions toward incoming tourists refers to their perceptions of tourists as individuals and therefore reflects a relationship between residents and tourists (Woosnam, Norman and Ying 2009). Accordingly, the latter predispositions may be more meaningfully captured by socio-psychological accounts of intergroup behavior (Hewstone et al. 2002). Importantly, existing research is not clear on whether these two manifestations of tourism support are positively (Vargas-Sanchez et al. 2011), negatively
(Teye, Sönmez and Sirakaya 2002), or not related. As such, residents may endorse governmental tourism development for functional cost-benefit reasons, independently from their predispositions toward individual tourists. The following hypotheses also aim at shedding light on this unclear issue.

We put forward that ethnocentric tourists are likely also ethnocentric residents, and thus motivated to support the domestic tourism economy. As such, and in addition to their active contribution in their role as tourists (i.e. visiting and recommending domestic destinations), they are also likely to support tourism development in their home country in their role as residents. We put forward that ethnocentric residents have a higher propensity to support tourism development and therefore hypothesize:

\textbf{H3: TE has a positive effect on residents’ support for domestic tourism development.}

In addition to residents’ support for tourism development, we identify another related, yet fundamentally distinct manifestation of residents’ attitudes: residents’ hospitality toward tourists. In contrast to support for tourism development, hospitality implies that the resident directly interacts with incoming tourists, thereby constituting a different level of commitment. While residents’ support for tourism development is extensively studied, residents’ hospitality toward tourists has attracted only limited research. This is surprising because residents’ hospitality is considered a key success factor in destination management (e.g., Wilson, Fesenmaier, Fesenmaier and Es 2001). We aim to add to this literature stream and put forward that ethnocentric residents are more hospitable toward incoming tourists than less ethnocentric residents because this behavior is beneficial for the domestic tourism economy. We hypothesize:

\textbf{H4: TE has a positive effect on residents’ hospitality toward incoming tourists.}
Importantly, we put forward that TE explains tourists’ behavior in addition and beyond destination imagery. While mental destination representations such as destination imagery and destination image represent the most frequently applied framework to explain tourists’ destination preferences, we hypothesize that TE affects domestic tourism behavior beyond the effect of destination imagery. Specifically, destination imagery captures tourists’ beliefs about quality and features of the destination while TE comprises normative beliefs that explain tourist preferences for other reasons than destination quality.

H5: TE and destination imagery exert separate and independent effects on tourists’ and residents’ TRO.

Important implications for managers and academicians may also be derived from insights that explain under which conditions TE affects tourists’ and residents’ TRO. We put forward that there may be benefits of TE for the domestic economy, but there may also be costs for the ethnocentric tourists and residents themselves, such as higher costs and less destination choice. In response to such considerations, ethnocentric tourists may ponder whether their individual contribution to the domestic tourist economy will play a significant role in improving the collective goal. Specifically, tourists may hold counterarguments that their individual contribution is too small to make any difference (John and Klein 2003) and thus be less likely to translate their opinion into action. Such arguments are analogous in structure to arguments that one’s individual vote will not change the result of an election, overall resulting in increased non-voting propensity. Applied to the context of tourism, we suggest testing, as a contingency variable, the construct of perceived tourist self-efficacy, reflecting the level to which an individual perceives his or her travel behavior to have an impact on a certain outcome. Specifically, if an individual is inclined to help the domestic tourism industry, yet perceives his own behavior as ineffective to contribute to this goal, the inclination will translate into behavioral to a lesser extent. In this study, we put forward that an individual’s beliefs in the
impact on his own travel behavior on the tourism economy interacts with TE to predict willingness to engage in domestic tourism. Because perceive self-efficacy refers to the own travel behavior only, no interaction effects shall be present for the three other TRO. We suggest:

**H6: Perceived tourist self-efficacy moderates the relationship between TE and willingness to engage in domestic tourism. The higher the perceived self-efficacy, the stronger is the relationship between TE and willingness to engage in domestic tourism.**

Further, individuals may also hold beliefs that others already contribute to the domestic economy. We suggest that the more an individual perceives that fellow citizens are helping the domestic economy, the less important do they consider their own contribution to the cause. As such, the effect of TE on TRO may be weakened when an individual intends to free ride on the ethnocentric behavior of other citizens. Supporting this argument, psychologists document that the probability that an individual will support the cause is drastically reduced when other individuals are believed to help as well (e.g., Latane and Nida 1981). That is, a strong support of the cause by others lowers the individual’s intention to support the cause as well. This reasoning is functional in the sense that more support from others implies less support from the individuals. Ethnocentric tourists who believe that other tourists are already helping the domestic economy by spending their holiday at home are less likely to do the same. We hypothesize:

**H7: Perceived support of fellow residents moderates the relationship between TE and TRO. The stronger the perceived support of fellow tourists, the weaker is the relationship between TE and TRO.**

In Study 1, in line with established scale development procedures (e.g., Homburg, Schwemmle and Kuehnl 2015), we develop the TE scale through the use of 21 structured interviews. This item-generation procedure is followed by a multi-step statistical analysis. Then, in Study 2 the developed hypotheses are tested in a nomological network; we examine
whether TE matters for tourist and resident behavior, as well as the conditions under which it operates. Also in Study 2, we examine the predictive validity of TE vis-à-vis destination imagery, the construct which has most frequently been applied in the literature to explain tourist behavior (e.g., Baloglu and McCleary 1999; Josiassen et al. 2016). Further, we also empirically test the difference between TE and the consumer ethnocentrism construct.

4.4 Study 1: Scale Development

Developing a tourism ethnocentrism scale is necessary for three reasons. First, the thirty-year old consumer ethnocentrism scale (CETSCALE) focuses on the harmful competition between imported and domestic products (Shimp and Sharma 1987). This threat of imported products is not realistic in a tourism context as destinations abroad cannot ‘be imported’ but tourists would actively travel to them. As such, items of the CETSCALE cannot be meaningfully adapted to the tourism context. For example, CETSCALE statements such as “imported products should be heavily taxed” or “only those products that are unavailable in the home country should be imported” are hardly applicable. Second, the existing CETSCALE is not consistent on whether it reflects a negative out-group bias or a positive in-group bias. However, this difference is important and the TE scale refers to an active support of the domestic destination, not active hostility toward foreign tourism entities. A third reason is that the CETSCALE does not address the complexities of existing consumer markets: Consumers may prefer foreign brands over domestic ones and still hold ethnocentric motives. For example, a BMW SUV is always built in the US while an Apple iPhone is always built in China. In tourism however, economic benefits are more direct and obvious because a tourism service is created at the destination (hotel, restaurant etc.). As such, we expect TE to represent a much clearer guiding principle for individuals than consumer ethnocentrism when making tourism-related decisions.
We generated an initial item pool for TE through grounded theory interviews with 21 individuals. We recruited potential respondents through a street-intercept procedure in a mid-sized city in the Midwest of the US. We asked them to fill out a brief screening questionnaire that contained items reflecting a generic measure of patriotism (five items). We determined the respondents’ patriotism levels (average or above-average) according to a cutoff of 4 out of 7 (Ouellet 2007). This cutoff point was the result of a pretest of the scale, which indicated a median of approximately 4. With the 21 informants that qualified and agreed to take part in the interview, we conducted interviews that used a grounded theory approach. In order to elicit mental content of TE, we asked respondents to describe beliefs and opinions relating to engaging in domestic tourism. This procedure, together with the initial indications from the first 17 interviews, yielded 43 items.

We then eliminated duplicate items from the interviews to avoid item redundancy. Further, we ensured satisfactory levels of content and face validity by asking four researchers with knowledge of the area to evaluate the items with regard to how well they reflected the full content of the TE construct. As a result of these two steps, we eliminated 33 items, leaving 10 items. In order to further reduce the number of items and empirically test their convergent validity, we distributed questionnaires containing these items, behavioral intention variables and several classificatory questions to a sample of U.S. respondents recruited from an online panel. One screener question (‘Please select agree as answer here’; similar answer pattern as the other variables) was interspersed throughout the questionnaire and respondents who provided a wrong answer to it, thereby indicating a lack of attention, were deleted from the sample. We obtained completed questionnaires from 250 respondents.

We conducted an initial exploratory factor analysis, which met both the Kaiser-Meyer-Olkin and Bartlett’s test of sphericity, on the full sample. We evaluated all items consecutively using four criteria. First, we scrutinized factor loadings and item-to-total correlations
sequentially, using .4 and .5 as the critical thresholds. Second, high inter-item correlations indicated item redundancy, therefore suggesting that we could drop one item while maintaining reliability. Third, for each item, we checked whether its deletion would increase scale reliability. We used composite reliability instead of Cronbach alpha because the latter is sensitive to the number of used scale items. Fourth, we used an iterated $\chi^2$-difference test procedure by selecting the item with the lowest item-to-total correlation, stopping only when the $\chi^2$-difference test indicated no difference or the adjusted goodness-of-fit index did not increase (Voss et al. 2003). These four item-reduction steps resulted in the removal of four items, leaving six items in the final TE scale. While a fifth item could have been deleted based on the steps above, we decided to retain it for reasons of construct validity (Peter 1981). The six items, their parameters, as well as scale parameters are shown in Table 6:
Table 6: Parameters of the TE scale

<table>
<thead>
<tr>
<th>Constructs/Items</th>
<th>Item Mean</th>
<th>Item Loadings</th>
<th>Corrected Item-to-Total Correlation</th>
<th>Scale parameters</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Americans should support the American economy by travelling to holiday destinations in the US.</td>
<td>4.78</td>
<td>.73</td>
<td>.71</td>
<td></td>
</tr>
<tr>
<td>2. Americans should feel a duty to book a national holiday.</td>
<td>3.70</td>
<td>.83</td>
<td>.79</td>
<td></td>
</tr>
<tr>
<td>3. Everyone should support the American economy by spending their holiday in the US.</td>
<td>4.00</td>
<td>.91</td>
<td>.87</td>
<td></td>
</tr>
<tr>
<td>4. Every time an American decides to spend their holiday in the US, it makes America’s future a little bit brighter.</td>
<td>4.45</td>
<td>.78</td>
<td>.76</td>
<td></td>
</tr>
<tr>
<td>5. It comes down to all Americans to spend their holiday in the US and support the country.</td>
<td>3.79</td>
<td>.87</td>
<td>.81</td>
<td></td>
</tr>
<tr>
<td>6. Americans should spend their holiday in the US because this secures jobs in the American tourism industry.</td>
<td>4.21</td>
<td>.86</td>
<td>.83</td>
<td></td>
</tr>
</tbody>
</table>

Composite reliability (CR) ____________________________________________________________ .94
Average Variance Extracted (AVE) _____________________________________________________ .74
Explained variation of extracted factor _____________________________________________ .68

Notes: The items are scored on a seven-point Likert scale (1 = “strongly disagree,” and 7 = “strongly agree”).
4.5 Study 2: Hypotheses Testing

The objective of Study 2 is to investigate whether TE matters and can reliably predict tourist and resident behavior. Specifically, in this study, the hypotheses are tested in the nomological network (Figure 3) with regard to structural relationships.

Participants and procedures

Similar to Study 1, we obtained the data for Study 2 through questionnaires administered to a sample of U.S. respondents recruited from an online panel. We collected 413 completed questionnaires. In order to minimize common method bias (CMB), such as order-effect biases, we paid attention to the design of the questionnaire and interspersed qualification and marker variables (Hinkin, Tracey and Enz 1997; Podsakoff, MacKenzie and Podsakoff 2012). Since the research may tap into socially sensitive areas, we ensured respondents of anonymity and additionally included a social desirability scale to test for respondents’ potential tendency to provide socially desirable answers (Crowne and Marlowe 1960).

Measures

Table 7 provides an overview of all reflective scales used in the questionnaire as well as their respective items and psychometric parameters. The questionnaire contained the newly developed TE scale (M = 3.89; SD =1.39) as well as scales that measure the concepts involved in the nomological network to be tested. We measured tourists’ willingness to engage in domestic tourism by adapting willingness to visit (WTV), as well as positive word of mouth (WOM) from Kock, Josiassen and Assaf (2016). In order to measure residents’ hospitality (RH) toward tourists, we developed a new scale by drawing on existing conceptualizations of hotel industry hospitality (e.g., Ariffin 2013). Residents’ support for tourism (RST) was adapted from existing studies on perceptions on tourism development (Boley and Strzelecka 2016; Stylidis, Biran, Sit and Szivas 2014; Woo et al. 2015). Perceived tourist self-efficacy (TSE) and
perceived support of fellow tourists (SFT) was adapted from Klein, Smith and John’s (2004) measure of counter-arguments, and CE was captured by the CETSCALE (Shimp and Sharma 1987).

For all reflective multi-dimensional scales convergent validity was achieved as standardized factor loadings were significant and above .7 for all items but one (.68), which was retained for ensuring construct validity (Bagozzi & Yi, 1988). Average variance extracted (AVE) was above .5 for all constructs, further indicating convergent validity. Composite reliabilities were above .8, thereby documenting adequate levels of reliability. An initial indication of discriminant validity among all scales, including TE and the CETSCALE, was obtained through the Fornell-Larcker (1981) criterion. For all pairs of scales, the AVE was higher than the pairwise squared estimated correlation, thereby indicating discriminant validity. We also applied the heterotrait-monotrait (HTMT) ratio criterion which measures the ratio of the average of the heterotrait-heteromethod correlations to the average of the monotrait-heteromethod correlations (Henseler, Ringle and Sarstedt 2015). In all cases, the ratio was below .85, thereby further indicating discriminant validity (Kline 2011). In addition, we found all variance inflation factors to be below three, and therefore clearly below the critical threshold of 10, indicating that collinearity was not harmful.
<table>
<thead>
<tr>
<th>Construct/Items</th>
<th>Factor Loadings</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tourism ethnocentrism (newly developed)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Americans should support the American economy by travelling to holiday destinations in the US.</td>
<td>.76</td>
<td>.94</td>
<td>.72</td>
</tr>
<tr>
<td>2. Americans should feel a duty to book a national holiday.</td>
<td>.71</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Everyone should back up the American economy by spending their holiday in the US.</td>
<td>.87</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Every time an American decides to spend their holiday in the US, it makes America's future a little bit brighter.</td>
<td>.84</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. It comes down to all Americans to spend their holiday in the US and support the country.</td>
<td>.86</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Americans should spend their holiday in the US because this secures jobs in the American tourism industry.</td>
<td>.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Willingness to visit (Kock et al. 2016)</strong></td>
<td>.95</td>
<td>.87</td>
<td></td>
</tr>
<tr>
<td>1. I intend to spend my next holiday at a destination in the US.</td>
<td>.89</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. The next time I go on vacation, I will choose a domestic destination.</td>
<td>.92</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. It is very likely that I would choose the US as my tourist destination.</td>
<td>.88</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Positive word of mouth (Kock et al. 2016)</strong></td>
<td>.95</td>
<td>.85</td>
<td></td>
</tr>
<tr>
<td>1. I talk up the US as a holiday destination to people I know.</td>
<td>.82</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. I bring up the US in a positive way in conversations about holiday destinations.</td>
<td>.93</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. In social situations, I often speak favorably about the US as a tourist destination.</td>
<td>.90</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Residents hospitality (newly developed)</strong></td>
<td>.93</td>
<td>.78</td>
<td></td>
</tr>
<tr>
<td>1. I try to be helpful if a tourist asks me for help.</td>
<td>.81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. I happily interact with tourists.</td>
<td>.90</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. If I have the opportunity, I am hospitable toward tourists.</td>
<td>.85</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4. I would do my bit to make the US a welcoming country for tourists.

### Residents' support for tourism development (adapted from Stylidis et al. 2014; Woo et al. 2015)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1. I support tourism development in our country.</td>
<td>.79</td>
<td></td>
</tr>
<tr>
<td>2. I am supportive of increasing tourism in our country.</td>
<td>.89</td>
<td></td>
</tr>
<tr>
<td>3. The money invested to attract more tourists to our country is a good investment.</td>
<td>.68</td>
<td></td>
</tr>
</tbody>
</table>

### Perceived tourist self-efficacy (adapted from Klein et al. 2004)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>1. I do not travel enough to make a difference for the American tourism industry.</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Perceived support of fellow tourists (adapted from Klein et al. 2004)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Enough Americans support the domestic tourism industry.</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Consumer Ethnocentrism (Shimp and Sharma 1987)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Foreigners should not be allowed to put their products on our markets.</td>
<td>.74</td>
<td></td>
</tr>
<tr>
<td>2. Purchasing foreign-made products is un-American.</td>
<td>.84</td>
<td></td>
</tr>
<tr>
<td>3. We should buy from foreign countries only those products that we cannot obtain within our own country.</td>
<td>.76</td>
<td></td>
</tr>
<tr>
<td>4. Curbs should be put on all imports</td>
<td>.80</td>
<td></td>
</tr>
<tr>
<td>5. It is not right to purchase foreign products, because it puts American people out of jobs.</td>
<td>.86</td>
<td></td>
</tr>
<tr>
<td>6. We should purchase products manufactured in the US instead of letting other countries get rich off of us.</td>
<td>.77</td>
<td></td>
</tr>
</tbody>
</table>
Finally, we measured the formative destination imagery (DY) index by applying the method outlined by Kock et al. (2016). Through 12 interviews, conducted in the US in the same region as the interviews for the TE scale development, we collected a list of 10 destination-specific and salient associations that individuals link to the tourist destination USA (Table 5). For each of the ten associations, strength and valence was captured by asking respondents how much they relate the respective attribute to the U.S. as a tourist destination (i.e. association strength) and whether the respective attribute is considered negative or positive (i.e. association valence). In line with Kock et al. (2016), association strength is measured on a Likert scale ranging from not at all (0) to very much (6), and association valence on a Likert scale ranging from very negative (-3) to very positive (3). For each respondent, a formative index (Bagozzi 2011; Law, Wong and Mobley 1998) was then calculated across all association strength-valence combinations (Kock et al. 2016). Indicators of formative constructs are not interchangeable but represent unique meaning, thus, high correlations among them threaten the integrity of the formative measure. Variance inflation factors for all formative indicators are below the threshold of 3.3, thereby indicating that no harmful multicollinearity exists (Petter, Straub and Rai 2007).
Table 8: Association strength and valence analysis of DY attributes for the U.S.

<table>
<thead>
<tr>
<th>Destination Attributes</th>
<th>Association Strength (mean)</th>
<th>Association Valence (mean)</th>
<th>Valence (std)</th>
<th>Variance Inflation Factor (Strength*Valence)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beautiful nature</td>
<td>5.95</td>
<td>2.45</td>
<td>1.00</td>
<td>1.79</td>
</tr>
<tr>
<td>Difficult getting around</td>
<td>3.18</td>
<td>-1.76</td>
<td>1.66</td>
<td>1.12</td>
</tr>
<tr>
<td>Affordable</td>
<td>3.99</td>
<td>1.58</td>
<td>1.58</td>
<td>1.29</td>
</tr>
<tr>
<td>Ease of communication</td>
<td>5.80</td>
<td>2.13</td>
<td>1.17</td>
<td>1.92</td>
</tr>
<tr>
<td>Hospitable people</td>
<td>5.09</td>
<td>2.12</td>
<td>1.10</td>
<td>2.28</td>
</tr>
<tr>
<td>Family destination</td>
<td>5.62</td>
<td>1.90</td>
<td>1.27</td>
<td>1.64</td>
</tr>
<tr>
<td>Safe</td>
<td>5.52</td>
<td>2.26</td>
<td>1.08</td>
<td>2.00</td>
</tr>
<tr>
<td>Variety of entertainment</td>
<td>5.97</td>
<td>2.22</td>
<td>1.07</td>
<td>1.99</td>
</tr>
<tr>
<td>No historical sites</td>
<td>2.01</td>
<td>-1.70</td>
<td>1.47</td>
<td>1.08</td>
</tr>
<tr>
<td>Variety of outdoor sports facilities</td>
<td>5.35</td>
<td>1.54</td>
<td>1.38</td>
<td>1.61</td>
</tr>
</tbody>
</table>

In addition to our efforts to minimize CMB ex ante, we conducted ex post statistical tests to examine potentially harmful effects thereof. We allowed all items to load on one latent CMB factor in order to control for the effects of an unmeasured latent factor. Comparing item loadings and their significance level of the correlations between the models with and without the latent CMB factor yielded no significant differences. Further, the marker variable did not significantly correlate with other constructs measured in the questionnaire. These test results indicate that CMB does not distort our statistical analysis.
Results

In a preliminary step, we examined the univariate skewness and kurtosis of the variables and found them to be within acceptable limits. The analysis of the social desirability scale indicated that social desirability bias was not present in the sample. Then, the hypothesized nomological network (Figure 4) was tested using a covariance-based structural equation modelling approach, using AMOS 24. The collected data fits the proposed model well, as indicated by the confirmatory factor analysis ($\chi^2$/df = 3.069; confirmatory fit index [CFI] = .944; non-normed fit index [NNFI] = .934; root mean squared error of approximation [RMSEA] = .071; standardized root mean residual [SRMR] = .0887).

Figure 4: The TE framework: Structural equation modelling results

Overall, we found strong support for the contention that TE plays an important role in understanding tourist and resident decision-making and behavior. TE has a significant and strong positive effect on both willingness to visit (.32, p < .001) and recommend (.45, p < .001).
the U.S. as a tourist destination, thereby confirming H1 and H2. In addition, higher levels of TE relate to higher levels of residents’ support for tourism development (.31, p < .001), in full support of H3. However, we did not find a significant effect of TE on residents’ hospitality toward tourists (-.02, n.s.), thus rejecting H4. In order to show the predictive validity of TE as an independent, yet complimentary predictor of tourists’ and residents’ behavioral intention beyond DY, we tested the effect of DY on the four outcome variables in the same model. The effect of DY on all four outcome variables is significant and positive (WTV: .35, p < .001; WOM: .31, p < .001; RST: .40, p < .001; RH: .44, p < .001). These results document that TE matters and relates to both tourists’ and residents’ predispositions toward their domestic destination, in addition to and beyond quality-related mental destination representations (i.e. DY) that individuals link with a destination, thereby supporting H5.

In the next step, we tested H6 and H7, and investigated two contingency factors that may interact with the effect TE has on TRO (i.e. H1 to H4). For H6, we hypothesized that higher perceived self-efficacy (PSE) will strengthen the effect TE has on WTV, but has no effect on the remaining TRO variables. For H7, we put forward that if other residents are perceived to help the cause already (perceived support of others; PSO), the effect of TE on all TRO variables will be weaker. In an initial investigation, we conducted a median sample split for both moderators and analyzed the effects of TE on the four outcome variables in the four structural models. As indicated in Table 6, the effects of TE on these outcome variables vary between low and high levels of the two moderation variables. In order to investigate whether these effect differences are significant between models, we conducted a multi-group analysis. We ran chi-square difference tests between the two freely estimated models, only constraining one path at a time. As hypothesized for PSE, the difference between the two models is significant (p < .05) for the effect TE has on WTV, but not for WOM, RST and RH. These results document that the effect of TE on WTV is significantly stronger if tourists believe that
their on travel behavior can make a difference, thereby fully confirming H6. For PSO, the interaction effect is significant for the relationships between TE and all four outcome variables; specifically for WTV (p < .05), WOM (p < .10), RST (p < .05) and RH (p < .05). The results thereby fully confirm H7.

Table 9: Path coefficients in the four structural models yielded by median splits

<table>
<thead>
<tr>
<th></th>
<th>Low perceived self-efficacy</th>
<th>High perceived self-efficacy</th>
<th>χ²-square difference test</th>
<th>Low perceived support</th>
<th>High perceived support</th>
<th>χ²-square difference test</th>
</tr>
</thead>
<tbody>
<tr>
<td>TE → WTV</td>
<td>.305***</td>
<td>.489***</td>
<td>**</td>
<td>.591***</td>
<td>.333***</td>
<td>**</td>
</tr>
<tr>
<td>TE → WOM</td>
<td>.435***</td>
<td>.585***</td>
<td>Ns</td>
<td>.643***</td>
<td>.485***</td>
<td>*</td>
</tr>
<tr>
<td>TE → RST</td>
<td>.387***</td>
<td>.446***</td>
<td>Ns</td>
<td>.471***</td>
<td>.340***</td>
<td>**</td>
</tr>
<tr>
<td>TE → RH</td>
<td>-.004ns</td>
<td>.134*</td>
<td>Ns</td>
<td>.323***</td>
<td>.037ns</td>
<td>**</td>
</tr>
</tbody>
</table>

Notes: ns = not significant, *p<.10, **p<.05, ***p<.01.

Then, in order to test whether TE is a better measure to understand tourists’ and residents’ predispositions than the CETSCALE, we ran a model that included both measures, as well as all four TRO (WTV, WOM, RST and RH). We found discriminant validity for TE and the CETSCALE through both the Fornell-Larcker criterion and the HTMT ratio. As for tourists’ willingness to visit the U.S., TE had a strong and positive effect (.47, p < .001) while the CETSCALE had no significant effect (.11, n.s.). This result documents that TE is an important instrument to understand tourists’ travel intentions while the CETSCALE is not appropriate for this purpose. Further, while TE relates positively and significantly to WOM (.66, p < .001), RST (.60, p < .001) and RH (.34, p < .001), the CETSCALE exerts negative significant effects on WOM (-.22, p < .01), RST (-32, p < .001) and RH (-.39, p < .001).
In a last step, we want to address the need of tourism researchers and tourism practice for an ever shorter scale (i.e. when TE is not the main focus of the study). Applying even stricter statistical (i.e. inter-item correlations) and item redundancy criteria (i.e. comparable item wording), we deleted item 3 and item 5 from the scale and then ran all tests and models again. The properties of the scale’s measurement model as well as the properties of the tested structural models perform similarly well compared to the original scale, thus indicating that the resulting four item TE scale is an appropriate alternative for studies where TE is not the focal construct, or tourism practice purposes. Overall, we advocate adopting the full 6-item TE scale when possible, but this shorter version of the scale is provided for situations when questionnaire length is a concern.

Discussion of the results

The aim of this article is to introduce ethnocentrism to the study of tourism. The results show that the newly developed TE construct provides a new and important means to understand and investigate both tourists’ and residents’ predispositions and behavior. The TE scale is parsimonious, reliable, valid, and complements the destination imagery scale to understand and predict individuals’ tourism-related predispositions. Specifically, TE has a positive effect on tourists’ intentions to engage in domestic tourism and to recommend it to others. In addition, taking a resident’s perspective, TE drives residents’ support of tourism development, a key attitudinal factor in tourism research and management (Boley and Strzelecka 2016). While TE relates positively to WTV, WOM and RST, no effect was found on RH. The reason for this result could be that being hospitable to visitors goes beyond only helping the domestic economy by visiting, recommending and supporting it. Residents would have to also actively promote the interests of the out-group (incoming tourists). Although the end goal is still in the interest of the domestic economy, the apparent dilemma between promoting in and out-group interests
seem to be an issue for residents. It is important to investigate this dilemma and its consequences further, and we urge further research on this topic.

Our results also shed light on two contingency factors that strengthen, respectively weaken the positive effect TE exerts on the dependent variables. The more a tourist believes that his or her own travel behavior can make a difference, the stronger is the positive effect of TE on willingness to engage in domestic tourism. Importantly, this interaction effect is not present for the other three TRO. This result bears the important insight that even individuals who don’t consider themselves capable of contributing directly to the domestic tourism economy, still engage in indirectly supportive behavior (i.e. WOM and RST) as much as those high on efficacy. As for the second interaction variable, residents’ perceived support from others, we find that the more residents perceive others to already contribute to the domestic tourism economy, the weaker is the effect of TE on all four dependent variables. This result confirms findings in the social psychology literature where perceptions of other peoples’ support is used by individual group-members as an excuse to contribute less to the group’s goal (Latane and Nida 1981). In addition, we found that if a resident perceives a lack of support from others, he or she overcomes the in-group bias and exerts it to the out-group, thereby showing increased hospitality to incoming tourists. This result documents that TE can indeed drive residents’ hospitality toward incoming tourists, but only if an urgent lack of support from fellow in-group members is present. While being relevant for tourism researchers, this new finding is also of importance for social psychologists because it advances our understanding of the conditions under which an in-group bias may spill over to an out-group bias.
4.6 Conclusion

In recent years, patriotic sentiments in the public and among politicians have forged ahead, with consequences for the economy, societies and political landscape. Research on ethnocentrism is relatively advanced in the politics, psychology and marketing domains, yet there has been little mention let alone substantial investigation of this phenomenon in tourism. The present research provides a timely and needed contribution to our understanding of how a home country bias among both tourists and residents colors their behavior in the tourism domain. This study represents the first investigation of the role of tourism ethnocentrism for tourists and residents. Drawing on state-of-the-art social psychology research, this research identifies, conceptualizes and empirically validates the construct of tourism ethnocentrism as an important motive behind tourists’ and residents’ predispositions toward the domestic destination. Another fundamental contribution is that TE is important to include in future studies that set out to investigate tourists’ travel intentions. We show that TE exerts an independent effect on tourists’ predispositions and complements the established literature on mental destination representations (e.g., destination image and destination imagery) in explaining tourist behavior.

We put forward that TE may serve as a silver bullet for tourism managers because it has important effects on individuals’ predispositions both in their role as tourists and residents. Importantly, the TE bias is not related to perceptions about the quality of a destination but motivates individuals to prefer domestic destinations for other reasons than quality, making it hard for foreign destinations to compete for the tourists that score high on TE. Understanding and actively managing TE may therefore be a key success factor for a domestic destination that faces ever-increasing competition from foreign destinations. TE is both a barrier for foreign destinations and an advantage for domestic ones. Foreign destination managers have to be aware that, in spite of low explicit travel barriers (e.g., visa applications), TE still exists as an
intangible barrier in the minds of tourists, and is hard to overcome with traditional marketing strategies. Interestingly and counterintuitively, current political and societal trends indicate that increasing levels of globalization may fuel, rather than decrease, this predisposition.

Domestic destination managers can benefit from prevalent ethnocentric tendencies by communicating a native or local image of their tourism products. Importantly, even small tourism companies can easily adopt this approach. Domestic companies could take advantage of the TE effect by investigating TE levels in their market, and if levels are high, the use of possessing and communicating a local image could fuel market over-performance. If TE levels are low, then the options are to either not apply a local image strategy or to attempt to influence the target market to include TE more prominently as a decision variable by communicating the benefits of supporting the domestic economy. While not explicitly tested in this research, it is likely that TE also extends to preferences for accommodation owned by domestic firms rather than by foreign or multinational chains. As such, communicating a local image may be a feasible strategy for small hotels to hold multi-national hotel companies at bay. We urge researchers to empirically investigate this contention. Foreign tourism firms, on the other hand, will want to investigate TE levels in any market they consider entering. If TE levels are high, it may be a prohibitive hurdle for the firm, which will damage its performance and potential for entry success. An option in case of high TE levels may be to enter into a joint venture with a local firm or to adopt a local image and downplay its foreign origin. If TE levels are low then the foreign firm or chain has one less hindrance to success. In addition to investigating the current TE levels, we advocate that tourism stakeholders also carry our trend analyses in order to better predict future TE levels.

We also found that tourists are more likely to act on their tourism ethnocentric tendencies when they perceive that they make a difference and when they perceive that others are not doing enough to help the domestic tourism economy. The implication for tourism
marketers is that it is in the interest of domestic tourism stakeholders to communicate the value of the actions of each individual inhabitant both as a tourist and as a resident, for example, through the launch of a campaign that highlights the benefits of domestic tourism. It is important that the domestic inhabitants know that they make a difference.

Failing to understand TE in the target market can have serious bottom-line consequences. When Walt Disney World in Orlando laid off a large number of American employees and substituted them with immigrants, one laid-off employee described the ordeal in this manner: “They [Disney] are just doing things to save a buck, and it’s making Americans poor” (Preston 2016). Overall, tourism ethnocentrism is an important phenomenon to understand for tourism researchers and managers.
Chapter 5: Consumer Xenophobia and its Effects on Foreign Product Purchase

5.1 Introduction

Xenophobia is on the rise. The increased popularity of right-wing parties in Europe, the Brexit vote, and the recent election campaign in the United States are events that all have been cited as signs of this upsurge (The Economist 2015). Xenophobia was chosen as word of the year for 2016 (Time Magazine), reflecting its resonance in public consciousness. Globally, the number of Google searches for the term increased by 998% following the Brexit vote and by 2,100% on the US election night. Despite indications that xenophobia is increasing, it is certainly not a new phenomenon. Rejection of things foreign has occurred throughout human history and has deep biological, cultural, and psychological roots. Given the impact of xenophobia on people’s daily lives, there is a genuine need to understand its nature and impact.

Much has been said about xenophobia in the political and social sphere, yet there has been little mention of it in a consumption context. However, there are many clues that xenophobia may also manifest as a consumer phenomenon. In the United Kingdom, serious concerns are raised about the activity of foreign companies, purporting that British consumers “are all paying the price” (Daily Mail 2012). On both sides of the Atlantic, many people express feelings of discomfort and anxiety with globalization in general and foreign companies and products in particular. Recent developments such as the protests against the Transatlantic Trade and Investment Partnership (TTIP), a free trade deal currently being negotiated between the US and the European Union, are likely to be in part consequences of
this phenomenon. These incidents may be caused by consumer xenophobia (CXO) which we define as consumers’ perceptions of symbolic and realistic threats posed by foreign companies. Existing marketing knowledge is not sufficient to identify or understand this phenomenon and its impact on consumption.

Consumers may form country-related predispositions that relate to 1) their quality expectations or for functional reasons, or 2) for none-functional reasons which relate to their group membership and group relationships. The focus of the present investigation is the latter. The marketing literature is rich with research that explores consumer attraction and repulsion according to product origin for none-functional reasons (Josiassen 2011). Within this field, the most widely studied concept is consumer ethnocentrism (CE) (Shimp and Sharma 1987) which reflects consumers’ motivation to support domestic products. Another concept, animosity (Klein, Ettenson and Morris 1998), which refers to the rejection of products from a specific foreign country, has become one of the core streams of research on the behavior of the international consumer. While such research has provided valuable insights, it has not provided knowledge about whether and how xenophobia influences consumer behavior. Thus, in response to the increased managerial and societal relevance, and to calls to investigate CXO (Josiassen 2011), the aim of the current research is to determine whether CXO matters.

We contribute to the literature on consumer country biases (CCB) and international consumer behavior by investigating the concept of CXO for the first time. Guided by seminal conceptual considerations of intergroup bias and threat theory in social psychology (Brewer 1999; Hewstone, Rubin and Willis 2002; Riek, Mania and Gaertner 2006), we present a framework to test CXO as a motive for consumers’ avoidance of foreign products. The investigation is carried out across two studies. First, we develop the concept of CXO by proposing that xenophobia, as consumers mentally experience it, comprises both symbolic and realistic threats attributed to foreign companies. Second, drawing on marketing, social psychology, game theory and neurology, we conceptually delimit consumer country biases to
distinguish CXO and CE. By applying those strict conceptual boundaries, we highlight that both CXO and CE are important stand-alone constructs. Third, in Study 1, we develop a reliable and valid CXO scale. Fourth, also in Study 1, we empirically differentiate CXO and CE and show that these constructs complement each other in the explanation of consumers’ purchase and recommendation intentions toward domestic and foreign products. Fifth, this finding is further substantiated by demonstrating that CXO and CE have distinct antecedents. Sixth, in Study 2, we show that consumers’ zero-sum bias is an important moderating effect that helps to distinguish CXO and CE. Seventh, we show that different emotions are linked to CXO and CE and that they serve as affect-informative pathways through which the two biases inform consumers’ behavioral intentions.

Due to the trends in globalization, product markets are becoming increasingly interconnected, putting pressure on international managers and policymakers to understand CXO. Because marketing managers in foreign markets have little choice but to include country of origin information in their product offerings, the ability to detect CXO prior to market entry may be crucial. The nature of CXO as a generalized derogation of all foreign companies makes it difficult for individual companies to overcome CXO using traditional marketing strategies. By identifying CXO and highlighting its role in consumer behavior, academic research can provide international marketing managers with valuable insights to determine when this challenge exists and how to meet it. Our findings are also relevant to policymakers and economists as they endeavor to understand and react to xenophobic tendencies among consumers, given that CXO can be detrimental to domestic economies, national wealth, and international collaboration.
5.2 Conceptual Background

Introducing CXO

Humans are skeptical; they treat things they do not know differently from things they know (Kurzban and Leary 2001). Xenophobia, “the denigration of individuals or groups based on perceived differences” (Hjerm 1998, p. 335), is not an anxiety disorder but used in marketing and social psychology as a synonym of prejudice against someone who is not ‘one of us’ (Sanchez-Mazas and Licata 2015). Similar to other prejudice such as racism and antisemitism, xenophobia manifests as stereotypes that take the form of threats allegedly posed by the stereotyped out-group. Throughout human history, foreigners were perceived as posing threats to local inhabitants through claims of land and resources, new diseases, or the questioning of the worldview or religion of the local inhabitants (Schaller and Neuberg 2008). Today, xenophobic stereotypes depict immigrants as being a threat to welfare, domestic jobs, national security or a country’s culture and religion (Van der Veer, Ommundsen, Yakushko, Higler, Woelders and Hagen 2013). Xenophobia has endured for centuries as a negative out-group bias that reflects the explicit or implicit derogation and isolation of those who are viewed as outsiders, intruders, and antagonistic “others”.

Xenophobia and its detrimental consequences have been investigated in various contexts, from health care (Crush and Tawodzera 2014), to political elections (Roemer and Van der Straeten 2006), judicature (Clermont and Eisenberg 2007), and higher education (Peacock and Harrison 2009). We also find signs of xenophobia in the recent finance literature. For example, Cao and colleagues (2011) document that both private investors and portfolio managers express more pessimistic expectations about foreign stocks than about domestic stocks. These studies hint that xenophobia is manifest as a subtle bias in everyday situations in which behavior is often attributed to non-xenophobic motives.
Every day, people engage in consumption decision making. As consumers, they may engage in xenophobic behavior by discriminating against foreign companies and avoiding foreign products. Xenophobia among consumers may be easily attributed to other factors, so this subliminal bias often passes unnoticed by both researchers and consumers. People tend to justify their discriminatory behavior to themselves and others by relating it to other circumstances (Sears and Henry 2003). In turn, they may engage in discriminatory behavior when they believe their actions can be justified by reasons other than xenophobia (Kunda and Spencer 2003). Accordingly, CXO may be more widespread than person-targeting xenophobia, and xenophobic consumer behavior may be seen as an adaptation to the evolving norm that exhibiting blatant prejudice toward human beings is not socially desirable.

In their role as consumers, individuals may act more readily on their xenophobic bias while maintaining a non-xenophobic appearance to others and themselves. Furthermore, CXO may demand less commitment from the individual than blatant xenophobic actions, because people express bias more easily toward inanimate entities than toward human beings (Harris and Fiske 2006). That is, it may be easier to decide not to buy foreign products than to move actively against foreigners. We propose that CXO may even occur among people who do not hold, or at least do not express, xenophobic predispositions against foreign individuals or groups; CXO enables consumers to act out a contextualized xenophobic bias against foreign companies without showing themselves publicly as blatant xenophobes.

Existing xenophobia studies investigate the concept in the particular context of immigrants, addressing this group or its individual members as a concrete embodiment of “foreignness” (Lee and Fiske 2006). The objects of xenophobic consumers are foreign companies that enter the domestic marketplace and try to establish their businesses.
5.3 Conceptualizing CXO

Social psychologists conceptualize and measure out-group biases, such as racism or antisemitism, through perceived stereotypical threats ascribed to the discriminated out-group (Cottrell and Neuberg 2005; Fiske et al. 2002; Rick et al. 2006). Perceived intergroup threat refers to a belief that a given out-group is in some way detrimental to the individual or his or her in-group. Similarly, “the core notion of threat seems to be consistently associated with the phenomenon [of xenophobia] and is present in most theoretical approaches of its social psychological roots” (Sanchez-Mazas and Licata 2015, p. 802). In the tradition of the social psychology literature and CCB studies that stressed the importance of threats (Shimp and Sharma 1987; Verlegh 2007), we formalize the concept of CXO as a host of perceived threats that exist as stereotypes in consumers’ minds. We do so by applying intergroup threat theory (Stephan and Stephan 2000) and develop a two-dimensional, threat-based CXO concept. This concept comprises both symbolic and realistic threats (Rick et al. 2006) that consumers attribute to foreign companies operating in the domestic markets of consumers. Following Fiske and Lee’s (2011) suggestion to regard xenophobia as a systematic bias that is predictable in the context in which it occurs, we formalize CXO as a latent concept that reflects people’s needs to orient and protect themselves in a globalized marketplace.

Xenophobic consumers likely hold stereotypes about foreign companies that manifest as symbolic threats. These perceived symbolic threats reflect consumers’ critical assessment of the ways in which foreign companies affect the sociocultural environment of the individual consumer. Foreign companies are regarded as carriers of a foreign culture, containing symbolic meaning and representative of potentially conflicting value systems (Aaker et al. 2001). Symbolic threats reflect concerns and fears that foreign companies will change consumers’ culture and way of life. This view resembles Max Weber’s ([1922]1978) model of how the economy materializes in society and also manifests in literature on cultural
imperialism and homogenization through economic globalization (e.g., Ritzer 2009). We build on this body of work by suggesting that consumers experience symbolic threats as a form of contamination; they are concerned that foreign companies contaminate the domestic social and cultural environment through their commercial activities. This view also corresponds directly with the recurring link between foreignness and the perceived threat of contamination (Cottrell and Neuberg 2005). As such, symbolic threats signal a threat to the self, personal integrity, and the soul (Tybur, Lieberman and Griskevicius 2008).

Along with symbolic threats, xenophobic consumers may associate foreign companies with realistic threats. Psychologists suggest that realistic threats emerge from concerns about the loss of or competition for resources, which ultimately would hurt an individual’s or group’s well-being (Riek et al. 2006). These resources can be tangible (e.g., money, commodities) or intangible (e.g., knowledge, power). For example, xenophobic consumers may be concerned that foreign companies are not prioritizing domestic stakeholders, such as employees or consumers, and are exploiting domestic resources. Intrinsic to the perception of realistic threats is the assumption of the incompatibility between in- and out-group goals and an attributed lack of morality (Alexander et al. 1999). Given these possibilities, we define CXO as consumers’ perceptions of symbolic and realistic threats, posed by foreign companies.

5.4 Integration and Delimitation of the CXO Concept in Marketing

By investigating the phenomenon of xenophobia in a consumption context, we contribute to the stream of research that deals with CCB. Researchers have devoted considerable effort to understanding the impact of country-related predispositions in consumer behavior. Although the country image associated with a product can affect
consumers’ quality judgments and behavioral intentions (Verlegh, Steenkamp and Meulenberg 2005), consumers’ predispositions toward domestic and foreign products can also be influenced by country-related “inferences other than those about product quality” (Gürhan-Canli and Maheswaran 2000, p. 310). Research related to country image and effect is often referred to as country-of-origin research; literature on the more normative dispositions, such as CE and animosity, represents the CCB research stream. In the past three decades, researchers have significantly enhanced understanding of why consumers are positively or negatively biased toward the purchase of domestic or foreign products, for reasons other than mere product quality. More recently, Josiassen (2011) structured existing CCB research by producing a consumer attraction–repulsion matrix that distinguishes between positive and negative biases toward domestic and foreign products.

The first of these bias concepts, CE, has received the most attention in the marketing literature. Ethnocentric consumers have the goal of supporting their domestic economy; they are attracted to domestic products and believe that the purchase of imported products is wrong because it hurts the domestic economy and destroys jobs (Shimp and Sharma 1987). The second bias concept, consumer disidentification, refers to consumers who disidentify with their domestic country because they feel dissimilar to the dominant forces in the society in which they live. Accordingly, they are repulsed by domestic products because such products are signals of inclusion in the national group (Josiassen 2011). In addition to these two biases that address domestic products, researchers have examined positive and negative biases toward particular foreign countries. Consumer affinity is a positive bias that refers to a “feeling of liking, sympathy, and even attachment toward a specific foreign country” (Oberecker, Riefler and Diamantopoulos 2008, p. 26), and animosity is a negative bias which represents individuals’ repulsion toward a specific foreign country because of previous or ongoing military, political, or economic events (Klein et al. 1998).
These four concepts are central to the CCB literature, and provide the basis for the present research. We, for the first time, conceptualize and measure consumer repulsion related to all foreign market entities, a bias which we label CXO. We delimit CXO and CE in order to provide both areas with greater conceptual clarity and relevance going forward. In the tradition of social psychology (Brewer 1999), we argue that a positive bias toward domestic market entities should be disentangled from a negative bias against foreign market entities. We do this by outlining perspectives from psychology, game theory, and neuroscience. These three perspectives lead us to suggest that CE and CXO are two conceptually distinct concepts with independent effects on consumers’ predispositions toward domestic and foreign products. We also distinguish CXO from animosity.

5.4.1 Distinguishing CXO and CE

The distinction between CXO and CE can be traced to the more generic distinction between in-group favoritism and out-group derogation. Most psychologists are clear these two biases are distinct and independent (e.g., Hewstone et al. 2002; Lowery et al. 2006). However, marketing researchers currently apply the CE concept to explain consumers’ predispositions toward both domestic and foreign products. While CE has routinely been applied to the study of domestic and foreign purchase behavior, several studies have noted that CE is not equally good at predicting consumer responses to domestic and foreign products (e.g., Balabanis and Diamantopoulos 2004; Evanschitzky, Woisetschläger and Blut 2008; Witkowski 1998). The usefulness of CE to explain consumers’ positive bias toward domestic products is well documented, but it is less useful to predict consumers’ negative bias against foreign products. We argue that the findings regarding an insignificant or weak link between CE and foreign product purchases may be caused by an erroneous inference that positive in-group bias, reflected by CE, implies a similar but inverse negative out-group bias toward foreign products. Perhaps an even more prevalent reason is that researchers simply have not had
access to an alternative that captures an out-group bias. For the benefit of research on both the
CE and the CXO phenomena it is important to clearly define and delimit them. We present
three key arguments from which we deduce a clear distinction between CE and CXO.

First, a consensus within the psychology literature indicates that in- and out-group
biases are distinct phenomena that operate independently. A problematic but common
assumption in extant research is that positive predispositions toward the in-group and negative
predispositions toward an out-group are causally related. This assumption can be observed in
Sumner’s (1906) conceptualization of ethnocentrism which is the foundation of CE (Shimp
and Sharma 1987). Sumner held that ethnocentrism toward the in-group is necessarily
associated with negative predispositions toward out-groups. As Bizumic and Duckitt (2012, p.
889) outline, Sumner’s view “had a very strong influence on subsequent theorists and
researchers, who have largely uncritically accepted this idea and included out-group
negativity in their definitions, operationalization, or measures of ethnocentrism“.

Contradicting Sumner’s view though, researchers have long argued that attachment to
one’s in-group does not necessarily imply a negative predisposition toward out-groups but
that “the reciprocal attitude towards out-groups may range widely“(Allport 1954, p. 42).
Similarly, Cashdan (2001) points out that it would be maladaptive and ignorant to view
ethnocentrism and xenophobia as two sides of the same coin, because the two predispositions
capture distinct information. Therefore, in-group bias has no systematic direct implications for
the out-group and can at best be considered relative favoritism for the in-group and the
absence of equivalent favoritism toward out-groups (Brewer 1999). In accordance, laboratory
experiments and field studies in various disciplines document that positive in-group bias does
not systematically correlate with negative out-group bias (e.g., Aboud 2003; Lowery et al.
2006).
Second, game theory disentangles the motivational structure of CE and CXO as functionally distinct phenomena by observing individuals’ incentive-compatible choices with experimental resource distributions. Considering the avoidance of foreign products and preference for domestic products as a reciprocal process is anchored in the unlikely assumption that any gains for one group must be at the expense of the other group, that is, the assumption of a zero-sum setting (Brewer 1999). Controlling for zero-sum perceptions, the two motives frequently linked to in-group favoritism and out-group derogation are the achievement of maximum in-group profit and maximum differentiation (Scheepers et al. 2006). A suitable economic game to disentangle these two motives is the intergroup prisoner’s dilemma–maximizing difference (IPD–MD) game (Halevy, Bornstein and Sagiv 2008). The IPD–MD game offers the player the alternatives of benefiting the in-group only or benefiting the in-group while reciprocally disadvantaging the out-group at no additional expense. Halevy et al. (2008) show that in the IPD–MD game, contributions are made almost exclusively to the in-group, without intentions to increase the difference between the in- and out-group and comprehensive research documents the independence of positive and negative intergroup biases in experimental games (e.g., Buttelmann and Böhm 2014; Hammond and Axelrod 2006; Weisel and Böhm 2015). Thus, cooperative behavior is driven by motivation to benefit the in-group, and unrelated to a motivation to harm the out-group. This extant theorizing also applies to a consumer ethnocentrism context, whereby ethnocentric consumers want, above all, to support their domestic economy. Against this background, we argue that CE captures a positive in-group bias, and not a negative out-group bias.

Third, CE and CXO are distinct because they are linked to different neural correlates. An emergent trend in contemporary psychology focuses on understanding how mental processing is represented in neural activity. Through non-invasive imaging of the human brain, researchers investigate the neural correlates of in- and out-group bias that may have
evolved in human brains as a result of complex social group living. Social neuroscience provides compelling indications that positive biases toward in-groups and negative biases toward out-groups occur in different brain regions and involve different neural processes (Amodio 2014). For negative out-group threats and biases—but not positive in-group biases—researchers document a significant increased activity of the amygdala (Chekroud Everett, Bridgeand and Hewstone 2014). In contrast, positive in-group biases, but not negative out-group biases, are linked to an increase of oxytocin, a hormone that acts as a neuromodulator in the brain (Cikara and Van Bavel 2014). These indications of neuro-physiological correlates lend support to our contention that CE and CXO are distinct phenomena and should be considered as such in marketing research.

5.4.2 Distinguishing CXO and animosity

Both CXO and animosity (Klein et al. 1998) are negative biases toward out-groups, and must be distinguished. Animosity represents people’s antipathy toward a specific foreign country, which in turn affects purchase intentions of products from that country. Animosity is evoked by military, political, or economic events; it explains why a consumer is repulsed by a particular foreign country. However, such country-specific cognition cannot explain why the same consumer may also be repulsed by other or all foreign countries, especially for the majority of countries for which no explicit animosity exists. Animosity is valuable for understanding antipathy between two countries, but its applicability is limited to repulsion due to specific military or economic events relating to the focal country. The concept of CXO instead covers negative predispositions toward all foreign countries, regardless of the qualitative specification of the foreign country. In other words, animosity and CXO are complementary such that animosity explains repulsion to a specific foreign country because of specific events, while CXO explains repulsion associated with foreign countries because of their “foreignness.”
5.5 Study 1: The CXO Framework

5.5.1 Hypotheses Development

Study 1 presents an initial empirical test of CXO, situated in a framework (the initial model is shown in Figure 5) that aims to provide an understanding of the role of CXO in consumer behavior. Specifically, the proposed framework identifies consumers’ behavioral intentions that may result from CXO and is then extended by factors that drive CXO. The development of this CXO framework is based on theories from functional approaches in social psychology (Cottrell and Neuberg 2005), according to which intergroup biases and threats do not exist for their own sake but serve to motivate in-group members to take specific actions against the out-group that is perceived to pose a threat.

Intergroup biases can be categorized into symbolic biases, which serve an identity function, and material biases, which serve an instrumental function (Scheepers et al. 2006). Symbolic biases are aimed at preserving and confirming identities and value systems; material biases are aimed at defending tangible, and therefore real, resources and avoiding exploitation through other groups. These two bias functions are represented in CXO through the perceptions of symbolic and realistic threats (Riek et al. 2006). Intergroup threat theory (Stephan and Stephan 2000) and the sociofunctional threat-based approach (Cottrell and Neuberg 2005) document that perceived threats serve an important role in understanding discriminatory behavior. In particular, perceived threats signal that symbolic or material resources are at stake. When people perceive that their resources are threatened, they likely exhibit a negative response to the object that poses the threat (Zarate et al. 2004), resulting in behavioral intentions to cope with the threat.

We argue that CXO—which we define as consumers’ perceptions of symbolic and realistic threats posed by foreign companies—affects consumers’ behavioral intentions toward foreign products. Specifically, CXO may negatively affect consumers’ willingness to
recommend and buy foreign-made products. Through this behavior, xenophobic consumers seek to distance themselves, physically and psychologically, from sources of threat. However, xenophobic consumers who distance themselves from foreign products are not necessarily drawn to domestic products. In accordance with Josiassen (2011), a key argument of our study is that by disentangling positive and negative consumer biases, we can achieve a much clearer picture of consumer behavior toward domestic and foreign products. We contend that CXO is related to consumers’ decisions about foreign products, and CE is related to consumers’ decisions about domestic products. We accordingly test the following hypotheses derived from the CXO framework in Figure 5:

H1: Consumer Xenophobia has a) a positive effect on willingness to avoid foreign products but b) not on willingness to buy domestic products.

H2: Consumer Ethnocentrism has a) a positive effect on willingness to buy domestic products but b) not on willingness to avoid foreign products.

H3: Willingness to avoid has a negative effect on the ownership of foreign products.

H4: Consumer Xenophobia has a) a positive effect on negative word-of-mouth of foreign products but b) not a positive effect on positive word-of-mouth of domestic products.

H5: Consumer Ethnocentrism has a) a positive effect on positive word-of-mouth of domestic products but b) not a positive effect on negative word-of-mouth of foreign products.
Consumers frequently receive information about companies and their products that is not controlled directly by firms but comes from external sources such as news agencies and journalists. Research documents that information carrying positive or negative content drives financial performance (Xiong and Bharadwaj 2013) and influences consumer behaviors (Brown and Reingen 1987), but we know little about how consumers accept or reject positive or negative information about companies. Research building on attitude change provides hints that a person’s predispositions toward an object may affect the person’s inclination to believe in positive and negative information about the object (Klein and Ahluwalia 2005). We argue that country-related consumer biases—CXO and CE—also affect how consumers process new information about companies.

According to the theory of ultimate attribution error (Pettigrew 1979), negative acts of the out-group (and positive in-group acts) are interpreted in terms of actual group characteristics, whereas positive out-group acts (and negative acts of the in-group) are
attributed to situational circumstances. This conceptualization is supported by consistency theories (Festinger 1962), according to which people seek consistency when integrating new information and therefore are more likely to reject new information that is inconsistent. Against this background, we argue that xenophobic consumers ascribe positive information about foreign companies to situational aspects, and therefore ignore it; however, they openly receive negative information about foreign companies. With regard to ethnocentric consumers, we predict an analogous, contrary effect: Ethnocentric consumers ascribe negative information about domestic companies to situational aspects and therefore ignore it, but they accept positive information about domestic companies. Accordingly, we hypothesize:

\[ H6: \text{Higher consumer xenophobia is related to a) higher resistance to positive information about foreign companies but b) not to higher resistance to negative information about domestic companies.} \]

\[ H7: \text{Higher consumer ethnocentrism is related to a) higher resistance to negative information about domestic companies but b) not to higher resistance to positive information about foreign companies.} \]

To further distinguish CE and CXO empirically, we suggest that the two concepts have distinct antecedents. Social psychologists have put forward various theories in the past seven decades to explain the determinants of in-group favoritism and out-group derogation. The most prominent concept in social psychology is authoritarianism, developed by Adorno and colleagues (1950). Although it is one of the most-researched issues in social psychology and associated with one of the first scales developed in the social sciences (i.e., the F-scale), the role of this important personality concept has not been studied in a marketing context.

All authoritarian mindsets are comprised of both a negative out-group bias (i.e., xenophobia) and an in-group focused nationalistic mindset that views one’s own nation or group as the center of everything. Authoritarianism is a deep-rooted multidimensional
personality syndrome with dimensions that independently predict positive in-group bias and negative out-group bias. Oesterreich (2005), a long-time researcher of the authoritarian personality, accounts for the dualistic character of authoritarianism and identifies its dimensions of close-mindedness and conformity. Authoritarians are close-minded and display a fearful effort to ward off anything unknown that could cause anxiety or uncertainty. They are also characterized by their voluntary submission to group-level norms (often personified by a leader) and their conformity with and prioritization of the group’s goals over individual goals. We argue that these two dimensions of an authoritarian personality are important drivers of CXO and CE; they disentangle the intergroup bias into a positive in-group and a negative out-group bias. Specifically, we contend that close-mindedness drives CXO, without cross-effects, and conformity drives CE, without cross-effects. Accordingly, we hypothesize:

**H8**: Close-mindedness has a) a positive effect on consumer xenophobia but b) not consumer ethnocentrism.

**H9**: Conformity has a) a positive effect on consumer ethnocentrism but b) not consumer xenophobia.

### 5.5.2 Developing the CXO scale

Prior to testing our hypotheses, we needed to understand how CXO is manifest in the minds of consumers and how it can be measured, so we sought to develop a reliable, valid measure of CXO. We carried out the development of the CXO scale over three samples (1.1–1.3; see Table 10) and followed established scale development procedures (Homburg et al. 2015) pertaining to (1) item generation, (2) item reduction, (3) assessment of scale dimensionality, (4) discriminant validity, and (5) scale validation. We used samples 1.1 to 1.3) for the scale development. Subsequently, we collected two further samples (1.4 and 1.5)
and used them for hypotheses testing. The characteristics of all five samples are presented in Table 10.

Table 10: Sample characteristics of Study 1

<table>
<thead>
<tr>
<th>Samples</th>
<th>Sample 1.1</th>
<th>Sample 1.2</th>
<th>Sample 1.3</th>
<th>Sample 1.4</th>
<th>Sample 1.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sample size</td>
<td>31</td>
<td>277</td>
<td>276</td>
<td>343</td>
<td>300</td>
</tr>
<tr>
<td>Purpose</td>
<td>Scale development</td>
<td>Scale development</td>
<td>Scale development</td>
<td>Testing H1-H5</td>
<td>Testing H6-H9</td>
</tr>
<tr>
<td>Gender (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>45.2</td>
<td>52.7</td>
<td>51.9</td>
<td>51.0</td>
<td>43.8</td>
</tr>
<tr>
<td>Male</td>
<td>54.8</td>
<td>47.3</td>
<td>48.1</td>
<td>49.0</td>
<td>56.2</td>
</tr>
<tr>
<td>Age (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;35 years</td>
<td>22.6</td>
<td>40.0</td>
<td>38.8</td>
<td>39.9</td>
<td>41.4</td>
</tr>
<tr>
<td>35–54 years</td>
<td>35.5</td>
<td>32.9</td>
<td>31.5</td>
<td>36.2</td>
<td>37.4</td>
</tr>
<tr>
<td>&gt;54 years</td>
<td>41.9</td>
<td>27.1</td>
<td>29.7</td>
<td>23.9</td>
<td>21.2</td>
</tr>
</tbody>
</table>

The development of a CXO scale is necessary for two reasons. First, available xenophobia scales are insufficiently developed and validated, and lack the methodological rigor required for reliable and valid measures. Second, existing xenophobia scales (e.g., Van der Veer et al. 2013) are not particularly relevant in a consumer setting as they are directed at immigrants, not foreign companies. This difference is significant, because people are more likely to show prejudice toward inanimate actors than toward human beings (Harris and Fiske 2006).

*Item Generation*

In the first step of the CXO scale development, we drew on two main sources of information to generate an initial set of items through a combination of inductive and deductive approaches. First, we performed a literature search to identify texts that have investigated xenophobia or related domains (e.g., Van der Veer et al. 2013) and conducted a content analysis. When appropriate, we adapted the gathered items to the conceptual domain of CXO. Second, to more fully understand the manifestation of xenophobia in the consumer
context, we conducted 31 structured grounded theory interviews in Germany with respondents that we believed to have average or above-average xenophobic predispositions (Ouellet 2007). The interviews and literature search yielded five threat facets of xenophobic consumer thinking about foreign companies that represent symbolic (cultural) and realistic (consumer, employee, environment, and economic) threats. Exemplary statements for each threat facet are shown in Table 11. The interviews also indicate that consumers perceive CXO along threat-based stereotypes in line with the consensus view in marketing and social psychology. We offer detail about the qualitative methodology in the Appendix 1. The initial set of 41 items was shown to seven researchers in marketing and psychology in order to evaluate both face and content validity, and to point out ambiguously worded or redundant items. As a consequence, 14 items were dropped.

Table 11: Key threat dimensions and facets yielded by the interviews

<table>
<thead>
<tr>
<th>Threat dimension</th>
<th>Exemplary statement</th>
<th>Threat facet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Symbolic</td>
<td>“Consumption is a way to change a nation’s culture, and that is what foreign companies try to do to us.” (R23)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>“Foreign enterprises influence German preferences to the worse, they ruin it with their bad products!” (R18)</td>
<td></td>
</tr>
<tr>
<td>Realistic</td>
<td>“An example for a nasty foreign company is Sky [pay TV company]. It was German-owned and honest but then Murdoch [owner of the parent company in the UK] bought it and now it cheats on and exploits us, it’s a shame.” (R8)</td>
<td></td>
</tr>
<tr>
<td>Realistic</td>
<td>“Foreign companies often forbid employee organizations and don’t treat their employees well here in Germany [gives Amazon as an example].” (R32).</td>
<td></td>
</tr>
<tr>
<td>Realistic</td>
<td>“[Foreign companies] ignore our environmental standards, but they would not dare do this in their home country.” (R13)</td>
<td></td>
</tr>
<tr>
<td>Realistic</td>
<td>“[Foreign companies] exploit our knowledge, resources … and then they transfer the money abroad.”(R24)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cultural threat</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Consumer threat</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Employee threat</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Environment threat</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Economic threat</td>
</tr>
</tbody>
</table>
Item Reduction

In the second step, we reduced the initial set of items. We distributed questionnaires containing the 27 preliminary CXO items, 10 items of the CETSCALE (Shimp and Sharma 1987), behavioral intentions variables, and several classificatory questions to a sample of U.S. respondents recruited from an online panel. To avoid and detect various types of response bias, we ensured respondents of anonymity, used randomized question orders, and featured qualification and marker questions. We collected completed questionnaires from 553 respondents (Table 10). Detailed information of data screening are provided in the Appendix 1.

We conducted an explanatory factor analysis (EFA) using maximum likelihood extraction in combination with Promax rotation on the first half of the sample (277 respondents). The EFA, which met the criteria of Kaiser-Meyer-Olkin and Bartlett’s test of sphericity, yielded two factors with an eigenvalue greater than 1. The symbolic threat items (including cultural threats) and realistic threat items (including consumer, employee, environmental, and economic threats) all loaded on their anticipated factors. Then, we evaluated all items using four criteria. First, we evaluated factor loadings sequentially using .4 and .5 as the critical thresholds. Second, high inter-item correlations suggested we could drop items while maintaining reliability; we therefore pruned the pool according to item redundancy and how well the items mapped the conceptual domain of CXO consisting of symbolic and realistic threats. Third, for each item, we checked whether its deletion would increase scale reliability. Fourth, we conducted an iterated $\chi^2$-difference test by selecting the item with the lowest item-to-total correlation, stopping only when the $\chi^2$-difference tests showed no difference or the adjusted goodness-of-fit index did not increase (Voss et al. 2003). In each step, we determined whether deleting a specific item significantly changed the domain of the construct. If it did, we retained the item to ensure that statistical rigor was not being
maintained at the expense of construct validity. The item-reduction steps resulted in the removal of 19 items, leaving eight in the final scale; three for symbolic threats (ST) and five for realistic threats (RT):

ST1: I am afraid that with more foreign companies expanding to America, the way of life here will change.

ST2: I am concerned that foreign companies expanding to America affect our culture here.

ST3: Foreign companies pose a threat to the American way of life.

RT1: Foreign companies make a profit at the expense of American consumers.

RT2: Foreign companies in the US care less than domestic companies about their American employees.

RT3: Foreign companies do not act as sustainably as American firms because they can leave the US whenever they want.

RT4: Foreign companies take more from America than they give back.

RT5: Foreign companies care less than American companies about the well-being of America.

Scale Dimensionality

In a third step, we assessed the dimensionality and validity of the CXO scale by conducting a confirmatory factor analysis (CFA) on the second half (n = 276) in AMOS 24. We estimated two CFA models. In accordance with the conceptualization of CXO as two-dimensional, we first estimated a model with the two latent factors of symbolic and realistic threats. In this hierarchical model, the two factors are distinct yet related concepts that are more concrete reflective manifestations of an abstract, higher-order construct (i.e., CXO). The other model we tested was a one-factor non-hierarchical model in which CXO consisted
directly of the eight CXO items. The fit of the second-order CXO model was excellent ($\chi^2/df = 1.529$; confirmatory fit index [CFI] = .988; Tucker-Lewis index [TLI] = .984; root mean squared error of approximation [RMSEA] = .042; standardized root mean residual [SRMR] = .035) and superior to the first-order one-factor model ($\chi^2/df = 5.688$; CFI = .890; TLI = .863; RMSEA = .126; SRMR = .0535). For the two-factor solution, the composite reliabilities (CR) and average variances extracted (AVE) all were above the required thresholds of .7 and .5.

Convergent and discriminant validity of the two CXO dimensions

We assessed the convergent validity of the two CXO factors by scrutinizing their factor loadings. Loadings were high, ranging from .69 to .85 for realistic threats and .84 to .94 for symbolic threats. The second-order factor loadings were also high, with .80 for symbolic threats and .96 for realistic threats. We obtained a first indication of discriminant validity between the two factors through the Fornell-Larcker (1981) criterion. The AVE of both factors was higher than their squared estimated correlation, thereby indicating discriminant validity. The two factors also met the heterotrait-monotrait (HTMT) ratio criterion, further indicating discriminant validity (Henseler et al. 2015). These results, in conjunction with the goodness-of-fit indexes, established that the CXO scale is best modeled as two distinct, concrete representations of a single higher-order concept of CXO.

Discriminant validity of CXO and CE

We tested whether the information captured by the CXO scale was distinct from the information captured by the measure of CE. Because existing studies have used CE as both a positive in-group and negative out-group bias, testing for discriminant validity is important. We conducted another CFA with both CXO and the CETSCALE; this model fit the data well ($\chi^2/df = 1.777$; CFI = .975; TLI = .971; RMSEA = .051; SRMR = .037). We then formally tested for discriminant validity by applying both the Fornell-Larcker criterion and the HTMT
ratio. Both heuristics indicated discriminant validity, in support of our contention that the CXO scale and the CETSCALE capture distinct information, and that CXO is not a stronger or inverse form of CE but a construct that captures unique information. Because the scales met Fornell and Larcker’s criterion, inference error due to multicollinearity also is unlikely. This initial step yielded a reliable, valid measure of CXO that reflects the degree to which a consumer perceives foreign companies to be threatening. Reliability and validity are replicated in the next samples. Although a longer scale for CXO may be appropriate for academic purposes, the more parsimonious CXO scale that we developed is more suitable for marketing practice. We collected Samples 1.4 and 1.5 to examine the role CXO plays in consumer behavior in relation to CE.

Methodology

The development of a reliable and valid CXO scale allowed us to test empirically the hypothesized relationships within the CXO framework. Specifically, we tested H1–H7 with regard to the structural relationships among CXO, CE, and outcomes. We also tested the effect of authoritarianism on CXO and CE for H8 and H9. By testing the CXO model, we were able to distinguish CXO from CE and examine how well the two constructs predict consumers' predispositions toward domestic and foreign products.

Participants and procedures. We obtained data for Sample 1.4 in Germany and for Sample 1.5 in Denmark. In both cases, we applied a public-intercept approach on regional trains, in both rural and urban areas. We collected 343 completed questionnaires from respondents in Germany and 300 completed questionnaires from respondents in Denmark (Table 10).

Measures. The questionnaire in Sample 1.4 contained the CXO scale (M = 3.43; SD = 1.31), as well as the full 10-item CETSCALE (M = 3.45; SD = 1.29). We adapted WTB and WTA from Josiassen (2011), willingness to provide PWOM from Arnett, German and Hunt.
(2003) and willingness to provide NWOM from Zhang, Feick and Mittal (2014). We also measured consumers’ ownership of foreign products by asking respondents to indicate the country of origin of the products they own in six categories of durable goods (car, watch, refrigerator, favorite singer/band, vacuum cleaner, and washing machine) (Klein et al. 1998). We used the number of foreign products each respondent owned as a single indicator of product ownership. Furthermore, we included a marker question to ensure the absence of common-method bias (Podsakoff et al. 2003) and a social desirability scale to test for respondents’ potential tendency to provide socially desirable answers (Crowne and Marlowe 1960).

For Sample 1.5, collected in Denmark, the questionnaire contained the CXO scale and the CETSCALE. It also featured consumers’ resistance to company news and the two authoritarianism subscales, thereby addressing H6–H9. We adapted the measures of consumers’ resistance to positive (negative) information about foreign (domestic) companies (i.e. RESID and RESIF) from Eisingerich, Rubera, Seifert, and Bhardwaj (2011) as two single-item measures. We adapted the measures for the two authoritarianism dimensions, close-mindedness and conformity, from Oesterreich (2005) and measured them with three items each on a semantic differential scale, ranging from low to high close-mindedness and low to high conformity (for a complete list of scale items, see the Appendix 1).

Results

We first assessed the data against the necessary assumptions. We found both skewness and kurtosis to be within acceptable limits for all variables. Our test of Harman’s one-factor and the analysis of the marker variable used in the questionnaire indicated that common method bias was unlikely to be an issue in the collected data (Podsakoff et al. 2003). The social desirability scale indicated that social desirability bias was not present in the data. We had minimized this risk by assuring respondents that their participation was anonymous and
that there were no right or wrong answers. All scales exhibited adequate reliability and validity, with all constructs indicating CR above .7 and AVE above .5, including CE and CXO.

First, we fit the model including H1–H5 (Figure 6) and based on data from Sample 1.4 to a structural equation model (SEM) in AMOS 24. The CFA exhibited good model fit ($\chi^2$/df = 2,695; CFI = .919; TLI = .912; RMSEA = .070; SRMR = .076), and the model accounted for a significant amount of variance in the dependent variables (WTB = .52; WTA = .58; NWOM = .36; PWOM = .40). With regard to the standardized effects of CXO and CE on purchase intentions, CXO affected WTA related to foreign products (.57, $p > .001$) more than twice as much as CE (.25, $p > .001$), in partial support of H1. Analogously, the effect of CE on WTB domestic products (.60, $p < .001$) was more than three times higher than the effect of CXO (.17, $p < .01$), partially supporting H2. We observed the same predictive structure for consumers’ intentions to provide WOM. The effect of CXO on negative WOM (NWOM) was highly significant (.54, $p < .001$), while we did not find a significant effect for CE on NWOM (.08, $p = .23$). Finally, the effect of CE on positive WOM (PWOM) (.51, $p < .001$) was more than three times higher than the effect of CXO on PWOM (.17, $p < .01$). These findings partially confirm H4 and fully confirm H5. The path from WTA to actual product ownership was significant and negative (-.12, $p < .05$), in support of H3. Figure 5 shows the results of the SEM for Sample 1.4.
Second, we fit a model testing H6–H9 and based on the data from Sample 1.5 to a CFA. All constructs exhibited good reliability and validity, except for conformity, for which one item had to be deleted to achieve acceptable factor loadings. The resultant model fits the data well ($\chi^2$/df = 2,778; CFI = .888; TLI = .865; RMSEA = .077). As for consumers’ RESIF and RESID, CXO related significantly to both RESIF (.25, $p < .001$) and RESID (.14, $p < .05$), but the effect of CXO on RESIF was nearly twice the effect on RESID. This finding partially supports H6. CE was a significant predictor of RESID (.23, $p < .001$) but not RESIF. That is, higher levels of CE relate to consumers’ need to maintain cognitive consistency regarding domestic companies without reciprocally affecting their processing of new information about foreign companies. Thus, H7 was fully confirmed.

Analysis of the relationships between the authoritarianism dimensions and the two CCB constructs CXO and CE indicated that close-mindedness (CM) was significantly related to CXO (.26, $p < .001$) but not CE. For conformity (CO), we observed the opposite effect:
Conformity had a significant effect on CE (.22, \( p < .01 \)) but not on CXO. These results fully support H8 and H9 and reveal that CXO and CE are not only distinct constructs but also have distinct antecedents.

Table 12: Hypothesized coefficients in the CXO framework

<table>
<thead>
<tr>
<th>Relationship</th>
<th>p-Value</th>
<th>Standardized Coefficient</th>
<th>Hypothesis (A = accepted or R = rejected)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CXO → WTA</td>
<td>&lt;.001</td>
<td>.57</td>
<td>A</td>
</tr>
<tr>
<td>CE → WTA</td>
<td>&lt;.001</td>
<td>.24</td>
<td>R</td>
</tr>
<tr>
<td>CE → WTB</td>
<td>&lt;.001</td>
<td>.60</td>
<td>A</td>
</tr>
<tr>
<td>CXO → WTB</td>
<td>&lt;.01</td>
<td>.17</td>
<td>R</td>
</tr>
<tr>
<td>CXO → NWOM</td>
<td>&lt;.001</td>
<td>.54</td>
<td>A</td>
</tr>
<tr>
<td>CE → NWOM</td>
<td>n.s.</td>
<td>.08</td>
<td>A</td>
</tr>
<tr>
<td>CE → PWOM</td>
<td>&lt;.001</td>
<td>.52</td>
<td>A</td>
</tr>
<tr>
<td>CXO → PWOM</td>
<td>&lt;.01</td>
<td>.17</td>
<td>R</td>
</tr>
<tr>
<td>WTA → PO</td>
<td>&lt;.05</td>
<td>-.12</td>
<td>A</td>
</tr>
<tr>
<td>CXO → RESIF</td>
<td>&lt;.001</td>
<td>.25</td>
<td>A</td>
</tr>
<tr>
<td>CE → RESIF</td>
<td>n.s.</td>
<td>-.05</td>
<td>A</td>
</tr>
<tr>
<td>CE → RESID</td>
<td>&lt;.001</td>
<td>.23</td>
<td>A</td>
</tr>
<tr>
<td>CXO → RESID</td>
<td>&lt;.05</td>
<td>.14</td>
<td>R</td>
</tr>
<tr>
<td>CM → CXO</td>
<td>&lt;.001</td>
<td>.26</td>
<td>A</td>
</tr>
<tr>
<td>CM → CE</td>
<td>n.s.</td>
<td>.01</td>
<td>A</td>
</tr>
<tr>
<td>CO → CE</td>
<td>&lt;.01</td>
<td>.22</td>
<td>A</td>
</tr>
<tr>
<td>CO → CXO</td>
<td>n.s.</td>
<td>.12</td>
<td>A</td>
</tr>
</tbody>
</table>

Discussion

Study 1 developed a reliable and valid measure of CXO that reflects the degree to which a consumer perceives that foreign companies pose symbolic and realistic threats. The scale is parsimonious and easy for both academicians and practitioners to administer. Study 1 empirically investigated whether, in the B2C marketplace, CXO matters. Overall, the results reveal that CXO and CE are distinct phenomena. Even more important, the results document that CXO is a superior predictor of consumers’ predispositions toward foreign companies and products, while CE is a superior predictor of predispositions toward the domestic counterparts. This contention is substantiated by the finding that CXO explains negative
behavioral intentions targeted at foreign products and companies better than CE, and in turn, that CE better explains positive behavioral intentions targeted at domestic products and companies.

We confirm that CXO has a positive, large effect on consumers’ willingness to avoid foreign products (H1), intentions to provide NWOM about foreign products (H4), and resistance to positive news about foreign companies (H6). Analogously, CE has a positive and large effect on consumers’ willingness to buy domestic products (H2), intentions to provide PWOM about domestic products (H3), and their resistance to negative news about domestic companies (H7). The cross-effects are in all cases either non-significant or much weaker than the hypothesized effects.

These findings have profound implications for studies that investigate the role of consumers’ biases toward domestic and foreign market entities. Specifically, they indicate that researchers who wish to study consumer predispositions toward foreign products should include CXO in their studies. This novel insight represents a substantial contribution, given that the vast majority of studies in the preceding three decades has used only CE to investigate consumer predispositions toward both domestic and foreign products. Overall, our results reveal that researchers should account for both CXO and CE when seeking a comprehensive understanding of consumer predispositions toward domestic and foreign products and companies.

We also investigate close-mindedness and conformity as two potential drivers of CE and CXO. We found that close-mindedness is a significant and positive driver of CXO and that conformity is a significant and positive driver of CE. These drivers exhibit no cross-effects, further supporting that CXO and CE are distinct constructs with distinct antecedents. To the best of our knowledge, the seminal concept of authoritarianism has not been investigated in the marketing domain before, and our study demonstrates its potential for
marketing research. Our findings indicate that authoritarianism is multifaceted and that each dimension has distinct outcomes, thereby extending the literature on authoritarianism.

While this study demonstrates that CXO and CE are conceptually and empirically distinct, we note that CE nonetheless shows a significant, albeit relatively small effect on consumers' willingness to avoid foreign products. As a concept of positive in-group bias, CE is expected to predict positively valenced behavioral intentions toward domestic products and companies but not negative intentions toward foreign entities. One reason for this finding may be that buying domestic and avoiding foreign products is reciprocally related in the eyes of some ethnocentric consumers; buying fewer foreign products may mean buying more domestic products, and vice versa. This contention is supported by our finding that CE, as expected, does not affect the other behavioral intentions toward foreign market entities. Another reason for our finding may be that the scale we used to measure CE, the CETSCALE, is not fully operationalized as a positive in-group bias scale but also contains items that treat foreign products as the unit of analysis. Against this background, and to address these results, we conducted Study 2.

5.6 Study 2: Extending the CXO Framework

5.6.1 Hypotheses Development

In Study 1 we provided, for the first time, a conceptualization and a measure of CXO. We found that CXO explains more variance in consumer behavior toward foreign market entities than CE, thereby constituting a better means to investigate foreign product purchase. However, CE still had an effect, albeit weaker than the effect of CXO, on WTA. These insights are important, yet they also indicate that we need to go further to understand the role of CE. That is, it was not clear why the level of CE influenced both WTB and WTA.
To address these shortcomings and extend our understanding of CE and CXO, we collected three more samples and focused on two issues. First, to shed light on the unexpected effect of CE on WTA, we introduced the concept of zero-sum bias as a moderator. Second, drawing on psychology literature that emphasizes the importance of emotions in understanding intergroup biases, we enhanced the CXO framework by incorporating emotions as mediating factors between the consumer country biases CXO and CE and selected outcomes.

Zero-sum bias. The term “zero-sum” originates from game theory. It reflects a situation in which resources gained by one group correspond with resources lost by another group. Accordingly, a zero-sum bias is an individual’s perception that resource allocation is subject to a reciprocal win–lose frame in which one person’s (or group’s) gains always relate to the other person’s (or group’s) loss. Individuals with this bias are inclined to perceive competition even if there is no rationale for it. In contrast, unbiased individuals are able to cognitively disentangle gains and losses for different groups and consider the possibility of win–win situations and mutual growth.

Not only is research on this potentially very important bias non-existent in the marketing discipline, we also believe that it sheds significant light on understanding when and how CE affects consumers’ avoidance of foreign products. Research documents that the perception of a zero-sum relationship is a key amplifier for extending in-group bias to out-group bias (Cikara and Van Bavel 2014). We suggest that the extent to which a consumer’s CE affects not only domestic product purchase, but also purchase of foreign products, depends on the level of her or his zero-sum bias. Unbiased consumers are unlikely to automatically translate ethnocentric predispositions into higher avoidance of foreign products, so we should find a stronger relationship between CE and the intention to avoid foreign products when consumers have a stronger zero-sum bias. Thus, we hypothesize:
**H10: Consumers’ zero-sum bias interacts with their levels of CE to increase their WTA related to foreign products.**

*The role of emotions.* Emotions have been often overlooked in the CCB literature, though their usefulness for understanding the effect of biases on behavior is well established in social psychology research (Talaska et al. 2008). The socio-functional approach to emotions documents that people can experience and process perceived threats as emotions (Cottrell and Neuberg 2005). Emotions signal the presence of threats posed by out-groups and direct behavioral consequences toward the remediation of such threats (Ekman and Davidson 1994). We propose an extended CXO framework to examine the link between CXO, CE and consumer behavior through emotions as an affect-informative pathway. Our conceptualization of the role of emotions in the CXO framework resembles the seminal tripartite attitudes approach (Eagly and Chaiken 1993) which is formally grounded on appraisal theories of emotion (Smith and Ellsworth 1985). According to this literature, emotions form as affective manifestations of cognitive appraisals that in turn drive behavior. We argue that CXO elicits two types of negative emotions, specifically anger-related (contending) and fear-related (accommodating) emotions. Similarly, in social psychology, xenophobia is regarded as either a “fearful” or “hostile” out-group bias (Sanchez-Mazas and Licata 2015).

Analogous to CXO-induced negative emotions toward foreign companies (NEMO), CE may be linked to positive emotions that consumers relate to domestic companies (PEMO). Positive emotions that consumers feel toward their in-group may include pride, liking, or attachment. We posit that CE relates to consumers’ PEMO, which in turn drive favorable behavioral intentions toward domestic products. Although the study of CE has prompted many academic investigations over the last three decades, to the best of our knowledge, our
study is the first substantive investigation of related positive emotions. We therefore hypothesize:

H11: Higher CXO is related to a) more NEMO but b) not more PEMO.

H12: More NEMO is related to a) higher WTA related to foreign products but b) not higher WTB related to domestic products.

H13: Higher CE is related to a) more PEMO but b) not more NEMO.

H14: More PEMO is related to a) higher WTB related to domestic products but b) not higher WTA related to foreign products.

5.6.2 Methodology

The aims of Study 2 were twofold. First, to investigate a potential zero-sum bias and to test its role in the CETSCALE–WTA relationship. Second, to test the role of both negative and positive emotions in an extended CXO framework. To address our hypotheses, we collected three samples through a U.S. online panel. An overview of the samples and their characteristics is displayed in Table 13.

Table 13: Sample characteristics Study 2

<table>
<thead>
<tr>
<th>Samples</th>
<th>Sample 2.1</th>
<th>Sample 2.2</th>
<th>Sample 2.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sample size</td>
<td>130</td>
<td>351</td>
<td>261</td>
</tr>
<tr>
<td>Purpose</td>
<td>Scale development</td>
<td>Testing H10</td>
<td>Testing H11-H14</td>
</tr>
<tr>
<td>Female</td>
<td>51.5</td>
<td>54.1</td>
<td>50.1</td>
</tr>
<tr>
<td>Male</td>
<td>48.5</td>
<td>45.9</td>
<td>49.9</td>
</tr>
<tr>
<td>&lt;35 years</td>
<td>44.6</td>
<td>39.0</td>
<td>43.7</td>
</tr>
<tr>
<td>35–54 years</td>
<td>26.9</td>
<td>38.2</td>
<td>27.2</td>
</tr>
<tr>
<td>&gt;54 years</td>
<td>28.5</td>
<td>22.8</td>
<td>29.1</td>
</tr>
</tbody>
</table>

Although the zero-sum bias is an important theoretical concept in both game theory and intergroup psychology, to the best of our knowledge, no scale exists to measure it. On the basis of extant zero-sum studies, we generated a set of items designed to tap individuals’
perceptions of zero-sum resource allocation relationships between their domestic country and foreign countries. A total of 130 U.S. respondents completed a questionnaire containing the preliminary pool of eight items (Sample 2.1). As in Study 1, we deleted items according to their low item-to-total correlations and factor loadings, resulting in the removal of four items. The newly developed zero-sum scale met all standard criteria of reliability (CR = .95; AVE = .81), and all factor loadings were above .7, indicating construct validity. The zero-sum bias scale is a parsimonious measure that is easy to administer and applicable to many contexts. The four items are measured on a 7-point Likert scale, ranging from “strongly disagree” to “strongly agree”:

1. The more resources other countries obtain, the less is available for us.
2. Any gains that other countries might make must be at the expense of our own country.
3. If other countries become more powerful, this means in turn that we become less powerful.
4. More wealth for other countries means less wealth for us.

We collected Sample 2.3 to investigate the hypotheses relating to CXO, CE, and emotions. We obtained a total of 261 completed questionnaires. The questionnaires included the CXO scale, the CETSCALE, WTB related to domestic products, and WTA related to foreign products. In addition, we measured NEMO and PEMO. As for NEMO, we used two three-item scales to measure both contending and accommodating emotions. We based the selection of emotions on Laros and Steenkamp’s (2005) basic emotions in consumer behavior and the perceived self-control appraisal to sort the emotions into categories of accommodating versus contending emotions (Fontaine et al. 2007). We measured PEMO with a four-item scale comprised of emotions that reflect attraction toward domestic companies (for the scale items, see the Appendix 1).
We began by scrutinizing the dimensionality of NEMO. Although the two kinds of negative emotions (contending and accommodating) are conceptually and neuro-physiologically distinct, they may occur together as the consequences of intergroup threat (Cottrell and Neuberg 2005). They also may be mutually reaffirming, such that consumers cannot mentally disentangle them solely by introspection. A preliminary EFA of the six NEMO and four PEMO items as well as the analysis of three CFA’s lent support to the argument that consumers’ cannot cognitively disentangle these emotions (see the Appendix 1).

5.6.3 Results

We used Sample 2.2, which consisted of 351 complete responses to test the zero-sum bias (H10) empirically. The questionnaire contained the CETSCALE, CXO, the newly developed zero-sum bias (ZERO) scale, WTB related to domestic products and WTA related to foreign products. All measurement scales, including ZERO (CR = .93, AVE = .77), indicated satisfactory reliability and validity. In H10 we proposed that zero-sum bias interacts with CE to predict consumers’ avoidance of foreign products. To test this moderation effect, we conducted a multiple regression analysis that regressed WTA onto CETCALE, ZERO, and their product term (CET × ZERO). Both the coefficient of CETSCALE (b1=.45, p < .001) and the product term (b3 = .056, p < .05) were statistically significant, thus suggesting, as hypothesized, the presence of an interaction effect. The significant interaction coefficient indicates that the greater the consumer’s zero-sum bias, the greater the impact of CE on WTA related to foreign products. We further calculated the effect of CE on WTA on three different levels of ZERO (Jaccard and Turrisi 2003), finding that it increases from low to high levels. Thus, as we predicted in H10, CE interacts with zero-sum bias to drive WTA, such that the effect of CE on WTA increases when ZERO increases.
Next, we tested the hypotheses related to the role of emotions in the CXO framework in a structural model (Figure 7), using Sample 2.3. All variables exhibited excellent reliability and validity, with all CRs above .8 and all AVEs above .5. We found discriminant validity, through both the Fornell-Larcker criterion and the HTMT ratio, for all constructs. The structural equation model exhibited good model fit ($\chi^2$/df = 2,583; CFI = .912; TLI = .904; RMSEA = .078; SRMR = .061) and fully confirms our hypotheses. Both positive and negative emotions serve as affect-informative pathways, through which CXO and CE drive consumers’ behavioral intentions (Figure 7).

Figure 7: Testing the extended CXO framework (H11-H14)

![Figure 7](image-url)

**Indirect effects.** We find that CXO had a positive and significant effect on NEMO (.67, $p < .001$) while CE’s effect on NEMO was not significant. In turn, the effect of CE on PEMO was positive and significant (.60, $p < .001$), whereas CXO’s effect on PEMO was not significant. These results lend further support to our contention that CXO is a negative out-group bias while CE is a positive in-group bias. In turn, NEMO had a positive and significant
effect on WTA and WTB; however, NEMO’s effect on WTA (.36, \( p < .001 \)) was more than twice its effect on WTB (.14, \( p < .05 \)). Moreover, PEMO had a positive effect on WTB (.16, \( p < .01 \)) but not WTA, indicating that positive emotions toward domestic companies did not affect negative behavioral intentions toward foreign products. These results fully support H11–H14, thus indicating that negative and positive emotions serve as an affect-informative pathway through which CXO and CE drive behavioral intentions.

**Direct and total effects.** The standardized direct effect of CXO on WTA (.32, \( p < .001 \)) was almost two times the effect of CE (.17, \( p < .05 \)). As for consumers’ intention to buy domestic products, CE had a positive effect on WTB (.65, \( p < .001 \)), while CXO did not. Because the hypothesized direct effects are significant, we conclude that emotions partially mediate the effects that CXO and CE have on purchase intentions. Adding the indirect and direct effects yields the standardized total effects: On WTA, it was .56 for CXO and .17 for CE, and on WTB, it was 0 for CXO and .75 for CE.

5.6.4 Discussion

Study 2 identifies zero-sum bias as a significant moderator that explains the mechanism by which a positive in-group bias (CE) spills over to affect consumers’ behavioral intentions with regard to the out-group. Perceptions of a zero-sum relationship can turn a positive in-group bias, such as CE, into a driver of negative behavioral intentions toward out-groups (i.e. the avoidance of foreign products). Going further, we suggest that the zero-sum bias concept provides an intriguing perspective that may enlighten other areas of research in marketing, such as consumers’ zero-sum bias in service interactions with companies.

The results in Study 2 further indicate that feelings, both positive and negative, have important roles in understanding how CXO and CE are mentally processed and color behavioral intentions. These results indicate that CE and CXO are distinct phenomena.
because they relate to functionally distinct emotional responses which in turn drive distinct behavioral intentions. To the best of our knowledge, our study is the first to distinguish explicitly between consumers’ cognitive biases and their emotions, and to measure emotion as a pathway through which CXO and CE drive consumers’ behavioral intentions. These results further strengthen our findings of Study 1 that CXO matters and that it is a useful marketing tool to understand consumers’ predispositions toward foreign products.

5.7 General Discussion

5.7.1 Theoretical Contributions

Xenophobia is not simply the word of the year, it is an increasingly salient phenomenon impacting societies and the relationships among them. Marketing research needs to keep pace with such important societal developments, hence the value in investigating xenophobia as it relates to consumers’ decisions. The present research represents the first investigation of the role of xenophobia to consumers and consumer behavior and the findings have important implications for researchers, managers and policymakers. A fundamental theoretical contribution is that CXO is important to include in future studies when investigating consumers’ dispositions toward purchasing foreign products. This study shows that CXO and CE complement each other in explaining consumers’ predispositions toward domestic and foreign market entities. Thus, it documents that sole reliance on CE to understand foreign product intentions, is likely to result in an incomplete picture at best.

We introduce and develop the CXO scale, delimit it relative to CE and test its effect on consumer behavior. In both studies, our results document that both CXO and CE matter. While CXO explains negative dispositions toward foreign product significantly better, CE on the other hand explains positive dispositions toward domestic market entities better. This
conceptual and empirical distinction benefits the research on both concepts, thereby enhancing the existing CCB literature in several important ways. First, we provide evidence for the CCB matrix (Josiassen 2011) which argues to treat positive in- and negative out-group biases as distinct constructs. Second, we respond to calls for expanding the matrix's scope to include consumers’ universal predispositions toward foreignness. Third, we shed light on the effect of CE on foreign product purchase by introducing and testing the concept of zero-sum bias as an amplifier of this effect. Fourth, we introduce emotions to the CCB literature and document that CXO and CE relate to distinct emotions. Specifically, the emotions serve as affect-informative pathways through which CXO and CE influence consumer behavior. The present research is also the first to investigate the seminal concept of authoritarianism in a marketing context. Our results document that different dimensions of authoritarianism relate to CE and CXO, further documenting their empirical separation.

After outlining theoretical implications in Study 1 and Study 2 above, we note that the CXO construct also provides theoretical advancement outside the marketing literature. Not only consumers but also channel managers in purchase departments may be biased when selecting domestic and foreign suppliers, thus functioning as silent but influential channel gatekeepers in supply chains. Further, it is possible that xenophobic consumers are likely to be xenophobic employees who avoid working in foreign companies. Attracting talented employees is key to companies’ success, and xenophobia among employees may significantly harm those firms that depend on hiring good local employees at their foreign branches. In finance, CXO might help explain why investors are less likely to invest in foreign than domestic companies (Cao et al. 2011). Our study is also impactful beyond the management literature. Political science may examine voters’ support of policies that disadvantage foreign companies and promote economic protectionism. Given the growing opposition to free trade
among voters and politicians around the world, the CXO scale provides a suitable instrument to academically examine this important trend.

Further, our study also provides a blueprint for future management studies that wish to examine generic xenophobia toward individuals. For example, xenophobic managers may avoid hiring foreign employees, thereby diminishing the potential of their companies to find and employ the best workers. Employees may also be biased in their interactions with foreign customers, thereby negatively affecting the performance of the supply chain. Although these actions may have far-reaching consequences for multiple stakeholders, they often pass unnoticed by both the biased individuals and those being discriminated against.

5.7.2 Managerial Implications

Our study shows that CXO matters and that xenophobic consumers are less open to purchasing imported products. Considering that most companies regard exporting their product to other countries as a key driver of growth, understanding and managing CXO is of utmost importance. At a time when xenophobic predispositions are becoming increasingly prevalent around the world, managers can achieve a competitive advantage when taking them into account. Firms can use our insights when deciding whether or not to export to a particular country by avoiding entry markets with high levels of CXO. Because more close-minded consumers exhibit higher levels of CXO, managers could use proxies such as political voting behavior to anticipate the existence of CXO in certain demographic or geographic consumer segments. Higher CXO increases not only consumers’ avoidance of foreign products but also their intentions to convince others to avoid foreign products. This finding is particularly important for marketing managers, because consumers often listen to their peers when making purchase decisions. As such, CXO may spill over on other, non-xenophobic consumers, through NWOM. Another interesting finding of our study is that biased consumers (both xenophobic and ethnocentric) resist factoring conflicting news into their attitude formation.
Thus, a marketing manager’s intuitive idea to communicate positive news about his or her company to xenophobic consumers may not be effective.

Against this background, a key managerial question is how companies should address the existence of CXO in their export markets. Our hierarchical CXO construct assists managers by showing that the two components of CXO can be targeted - through marketing communications - to influence the more abstract consumer perception of xenophobia. Specifically, both symbolic and realistic threats are important manifestations of CXO, indicated through the high factor loadings. In order to address and mitigate symbolic threats, firms should emphasize their commonalities with the domestic culture and explain to consumers how their products enhance the consumers’ culture, rather than changing it. We suggest that companies and their brands could assimilate to the domestic culture by infusing the brand with what is culturally legitimate. For example, Coca Cola assimilated to the Indian market through the sponsorship of the culturally important sport cricket. In contrast, openly communicating a cultural threat can have severe consequences: In 2002, McDonald’s launched a campaign called ‘Das Butterbrot is tot’ (the buttered bread is dead), targeting a traditional German culinary icon. While not necessarily held in high regards by many Germans, food is an important carrier of culture. After strong consumer protests and a drop in sales, McDonald’s withdrew the campaign from the market. Again, in 2013 McDonald’s launched a comparable campaign in Austria targeting the ‘Wurstsemmel’, experiencing the exact same negative consequences. Our study identifies the underlying phenomenon of cultural threats and hopefully contributes to a better understanding of it among marketing managers, ultimately preventing them from creating cultural threats.

Managers should also be aware of and aim to reduce perceived realistic threats. This may be achieved by actively communicating how the firm contributes to employees, the environment, or the welfare of the domestic country. For example, when McDonald’s entered
the former German Democratic Republic in 1989, it faced a consumer market that had almost no experience with foreign companies over the last three decades. By directly emphasizing its social engagement together with a local supply-chain and the Ronald McDonald charity, it weakened the perceived threats that foreign companies face.

Furthermore, a domestic manager with budget constraints needs to know whether to address the ethnocentric or xenophobic predisposition of consumers’ to maximize the return on investment. For example, BMW’s communication targeted ethnocentric motives by emphasizing that the firm creates jobs and wealth in the US (in fact, BMW is the biggest car-exporter in the US). However, this did not address consumer xenophobic consumers who considered the company to be a threat to the typical American car.

Informed by social and evolutionary psychology, we suggest two more managerial routes how to deal with CXO: disentanglement and mimicry. While these coping mechanisms can be observed as intuitive behaviors among immigrants and in the animal world, they also apply to marketing management. First, companies can disentangle their products and brands from the country cue by emphasizing other product attributes. For example, Nestlé’s bottled water ‘Pure Life’, which is sold in more than 20 countries, is not actively linked to a product origin but instead advertised as having a pleasant taste, health benefits and being safe. Second, companies can engage in mimic domestic companies through the adaptation of a domestic sounding brand name or communication style. For example, Unilever sells its heart-shaped ice cream under various domestic names around the world and applies a market-tailored product communication strategy.

Our study also has policy implications as it reveals and directs attention to a subtle type of xenophobia that often passes unnoticed. Focusing only on blatant and violent expressions of xenophobia, such as burning asylum seekers’ homes, is short-sighted. Our study indicates that people do not only express their political opinion through elections but
also through their power as consumers. However, a common assumption among politicians and economists is that when trade barriers are lowered, consumers will purchase new products made accessible by free trade. Accordingly, many politicians and policymakers have focused on dismantling trade barriers between countries. However, our findings indicate that some consumers may not be ready for this step; xenophobic biases exist as intangible barriers in the minds of consumers, and the dismantling of tangible barriers may not be enough to produce the benefits of free trade. Decision makers must recognize that CXO can be a substantial threat to globalization, international trade, and the growth of wealth around the world.

On a more general note, this study challenges the ideology of many marketing managers that the marketplace is global and that consumers have homogenous tastes. Such perceptions can be observed in companies’ shedding of local brands and favoring of global brands. Our results show that international marketing managers should be careful about relying on tastes only, while ignoring biased consumer behavior that goes beyond mere product quality. Xenophobia affects several socio-economic spheres, including individuals, organizations, countries, and geopolitics. It is important to add CXO to the political agenda and to take steps to address the challenges this bias represents. A nation’s economy depends on foreign companies; they serve as investors, employers, are knowledge carriers and contribute significantly to the prosperity of national markets. In an increasingly globalized world, a nation with many xenophobic consumers may risk falling behind. Seeing signs of increasing consumer xenophobia around the world, we believe that it is more important than ever before to bring this issue into focus, and we hope to make an initial contribution with this research.
Chapter 6: General Discussion

6.1 Summary and Conclusions

The present dissertation enhances researchers’ and managers’ understanding on how consumers use the country cue to in decision-making. The apparent importance of the country cue has given rise to a myriad of studies that investigate its role in both tourist and consumer behavior. However, research had yet to develop a unifying framework that can account for different perspectives used in this literature. In chapter two, I address this issue and develop the country image-country bias duality framework which unites two separate research streams in the literature. The duality framework differentiates existing accounts on the country cue into country image and country bias research. This framework then serves as the guiding principle for the upcoming studies that contribute to existing country image research in tourism (chapter 3) and develop new and timely country biases in tourism (chapter 4) and marketing (chapter 5). A summary of the findings of each of the four chapters is provided in Table 14.
Table 14: Summary of the studies in chapters two, three, four and five.

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Domain</th>
<th>Methodological Approach</th>
<th>Major Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Tourism and Marketing</td>
<td>Conceptual Model</td>
<td>The country cue can enter consumer decision-making through both the country image and country biases.</td>
</tr>
<tr>
<td>3</td>
<td>Tourism</td>
<td>Conceptual and Empirical: Scale Development and Model Testing</td>
<td>The Destination Content Model (DCM) conciliates existing, often conflicting, conceptualizations and operationalizations of ‘destination image’ by developing and empirically validating three interacting components: destination imagery, destination affect and destination image.</td>
</tr>
<tr>
<td>4</td>
<td>Tourism</td>
<td>Conceptual and Empirical: Scale Development and Model Testing</td>
<td>The first investigation of a bias in tourism research. Tourism ethnocentrism (TE) plays an important role, in addition and beyond destination image, in tourist and resident behavior.</td>
</tr>
<tr>
<td>5</td>
<td>Marketing</td>
<td>Conceptual and Empirical: Scale Development and Model Testing</td>
<td>Identification, conceptualization and measurement of consumer xenophobia (CXO). CXO is an important, yet so far neglected consumer bias that explains behavior in a globalized marketplace, beyond existing constructs.</td>
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</table>

Chapter three argues that the advancement of destination image research, arguably the most influential and important construct in tourism research (Pike 2002) is significantly hindered by two important shortcomings. First, while ‘destination image’ is the object of countless empirical and practical tourism studies, the majority of these studies draw on a rather prototypical and intuitive understanding of this construct. Second, and as a consequence, researchers have conceptualized and measured tourists’ mental representations of destinations in a variety of ways. Addressing these gaps, the study in chapter three develops a psychology-based framework which conceptualizes, integrates and delineates three...
mental components that individuals form about a destination. This framework comprises 1) a multi-dimensional cognitive component (destination imagery), 2) an affective component (destination affect) and 3) an overall evaluative cognitive component (destination image). These three distinct components of mental destination representations that have been conflated in the existing tourism research. Further, the study reported in chapter three empirically develops three new measures that reliably predict tourists’ destination choices and provide a more accurate and valid account of tourists’ mental destination representations.

Chapter four introduces the bias literature to tourism research by providing a timely account of the existence and effects of ethnocentrism in the tourism domain. I identify and conceptualize the phenomenon of tourism ethnocentrism, defined as an individual’s prescriptive beliefs and felt moral obligation to support the domestic tourism economy. Tourism ethnocentrism is a positive home country bias that I conceptually derive from intergroup bias research in social psychology. In a multi-stage scale development, I first qualitatively identify the phenomenon through interviews and then empirically derive a reliable, valid and parsimonious scale, the TE scale. Tourism ethnocentrism is nomologically validated and predicts tourists’ preferences for domestic destinations, and tourists’ intentions to provide positive word-of-mouth about domestic holiday destinations. Importantly, tourism ethnocentrism predicts tourists’ preferences in addition to and beyond destination imagery, thus serving as a performance-unrelated pathway through which the country cue informs tourists’ preferences. This study is the first in tourism research explicitly documenting such a performance-unrelated country effect. Another important finding is that tourism ethnocentrism does not only affect tourists’ preferences but also their intentions as residents; tourism ethnocentrism has a positive effect on residents’ support for domestic tourism, thus making it one of only very few constructs that influence both tourist and resident behavior.
Chapter five is the first examination of the xenophobia, its roots and consequences in consumer behavior. While it has been announced word of the year in 2016 and is gaining ground around the world, academics have not investigated whether it might play a role in the marketing domain. Against this background, I provide a timely and needed contribution to understand the pressing xenophobia problem. I define consumer xenophobia as consumers’ perceptions of symbolic and realistic threats posed by foreign companies. Drawing on seminal social psychology literature, specifically intergroup threat theory, I conceptually develop consumer xenophobia as a two-dimensional construct, consisting of symbolic and realistic threats. This dimensional structure is supported by a qualitative pre-study that precedes the multi-stage scale development. My multi-study, multi-country approach includes samples of more than 1900 respondents, demonstrating that consumer xenophobia is an important but overlooked concept in the marketing literature. Being complementary with consumer ethnocentrism, consumer xenophobia provides researchers and managers with new insights into how consumers choose between foreign and domestic products.

6.2 Implications

In addition to the implications that derive from the specific studies and that I discussed at the end of each chapter, I will now outline the big picture implications for research, management and policy.

6.2.1 General academic implications

This dissertation conceptually outlines and empirically documents that the country cue can shape consumers’ preferences through two distinct pathways: country images and country biases. I provide both refined scales for seminal constructs (chapter three) as well as identifying and measuring new phenomena in tourism (chapter four) and marketing research
While the literature on performance-related country images is more mature, the literature on country bias is still in its infancy (but see Sirakaya-Turk, Nyaupane and Uysal 2014 for an initial account on the role of stereotypes in tourist behavior) providing various opportunities for researchers.

Specifically, the phenomena of tourism ethnocentrism and consumer xenophobia that I identify and examine herein shed light on the urgency to understand the role of political opinions and socio-psychological attitudes in consumer behavior better. For a long time, both economists and marketing researchers had assumed that individuals are rational decision-makers who seek to maximize utilitarian and hedonic benefits. My research provided herein documents that examining performance-related predispositions only provides an incomplete picture at best. Future research is necessary to advance our understanding on how biases, both country-related ones such as ethnocentrism and xenophobia, and country-unrelated ones inform consumer behavior. Table 15 provides a summary of existing country bias research in both marketing and tourism research. The table indicates the apparent lack of studies on biases in tourism research: The discipline is largely uninformed by examinations on potential biases, and I urge future research to examine this topic in detail.
Table 15: Existing Country Bias Literature in Marketing and Tourism Research

<table>
<thead>
<tr>
<th>Marketing Research</th>
<th>Tourism Research</th>
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</thead>
<tbody>
<tr>
<td><strong>Investigated Bias</strong></td>
<td><strong>Study</strong></td>
</tr>
<tr>
<td>Consumer Xenophobia</td>
<td><strong>This study</strong></td>
</tr>
<tr>
<td>Consumer Ethnocentrism</td>
<td>Shimp and Sharma 1987</td>
</tr>
<tr>
<td>Economic Nationalism</td>
<td>Baughn and Yaprak 1996</td>
</tr>
<tr>
<td>National Identification</td>
<td>Verlegh 2007</td>
</tr>
<tr>
<td>Consumer Disidentification</td>
<td>Josiassen 2011</td>
</tr>
<tr>
<td>Animosity</td>
<td>Klein et al. 1998</td>
</tr>
<tr>
<td>Consumer Racism</td>
<td>Ouellet 2007</td>
</tr>
<tr>
<td>Affinity</td>
<td>Oberecker et al. 2008</td>
</tr>
<tr>
<td>Political Boycott</td>
<td>Klein, Smith and John 2004</td>
</tr>
<tr>
<td>Cosmopolitanism</td>
<td>Cannon and Yaprak 2002; Thompson and Tambyah 1999</td>
</tr>
<tr>
<td>Worldmindedness</td>
<td>Mohammed, Rajendran and Wuehrer 1996</td>
</tr>
</tbody>
</table>

Another big picture implication derives from the observation of similarities between marketing and tourism research. This dissertation is novel in the way that it comprises studies from both marketing and tourism, and uses synergies between them to yield three important research papers. Traditionally, both academic fields have often developed in isolation with tourism researchers working on tourism problems and marketing researchers working on marketing issues. This is particularly true for the literatures on destination image and country-of-origin image (Nadeau, Heslop, O’Reilly and Luk 2008). This constellation has inhibited a potentially fruitful knowledge transfer between the two areas. My dissertation traces an arc between marketing and tourism, thereby exploiting synergies and mutual benefits between them. I do this by using a third research discipline, psychology, documenting the potential of a triangular research approach consisting of marketing, tourism and psychology. In particular,
I understand psychology as the connecting link between tourism and marketing research, putting forward that psychology is suitable for understanding both consumer and tourist behavior. The reason for this contention is that both tourist and consumer behavior can be traced back to fundamental motives that people follow (Kock, Josiassen and Assaf 2018). Accordingly, psychological underpinnings that explain human behavior are applicable to both consumers and tourist behavior. Accordingly, I call for more psychology-informed research that creates synergy effects between the two disciplines.

6.2.3 General Managerial Implications

The present dissertation should also receive attention from managers and policy makers as it provides various important implications for them. International marketing and tourism managers should be aware of the potential effects that political opinions have on consumer behavior. Importantly, the effects of biases are not under the control of the company but exist and operate on a higher level than the product-level. Expanding into new export markets is the most common growth strategy of a company, but doing so bears the risk of potentially facing biases such as ethnocentrism or xenophobia. This dissertation shows that potential psychological trade barriers exist in the minds of consumers. Marketing managers who sell their products abroad have little choice but to include country of origin information in their product offerings. Understanding the role of ethnocentrism xenophobia in consumer behavior and the ability to detect these biases prior to market entry are a crucial advantage in increasingly globalized product markets.

An important policy implication from this research is that biases are not always blatant and overtly hostile but can also be more subtle while still having detrimental consequences on people’s lives. Thus, discriminatory behavior of people is not limited to human beings, such
as ethnic minorities or foreigners, but extends to inanimate entities (i.e. destinations, companies or products) which become objects of discrimination. On a global scale, it is likely that such biases cause significantly more harm indirectly through biased consumption behavior than through direct and blatant discrimination. The research presented herein provides initial means of accountability of such biases: policy makers can use the developed measures to quantify the existence of biases in respective markets.

Consumers themselves can also benefit from the insights yielded in this dissertation. Specifically, biased consumer preferences and consumption behavior does not maximize consumers’ utility but results in non-optimal choices as choice sets are constraint. For example, acting on the bias of consumer xenophobia drastically limits a consumer’s choice and available consideration set, potentially resulting in choices of products and services of inferior quality and higher price. Similarly, tourism ethnocentrism limits a tourists to domestic destinations.
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Appendix 1

Study Constructs

The items were modified to fit the country of study (i.e. Germany or Denmark instead of America).

*Consumer Xenophobia (CXO) (newly developed scale)*

**Symbolic threat dimension**

- I am afraid that with more foreign companies expanding to America, the way of life here will change.
- I am concerned that foreign companies expanding to America affect our culture here.
- Foreign companies pose a threat to the American way of life.

**Realistic threat dimension**

- Foreign companies make a profit at the expense of American consumers.
- Foreign companies in the US care less than domestic companies about their American employees.
- Foreign companies do not act as sustainably as American firms because they can leave the US whenever they want.
- Foreign companies take more from America than they give back.
- Foreign companies care less than American companies about the well-being of America.

*Consumer Ethnocentrism (modified from Josiassen 2011; Shimp and Sharma 1987)*

- Purchasing foreign-made products is un-American.
- It is not right to purchase foreign products, because it puts American people out of jobs.
- We should purchase products manufactured in the US instead of letting other countries get rich off of us.
• We should buy from foreign countries only those products that we cannot obtain within our own country.
• American consumers who purchase products made in other countries are responsible for putting their fellow Americans out of work.
• American products, first, last, and foremost.
• A real American should always buy American-made products.
• It may cost me in the long-run but I prefer to support American products.
• Americans should not buy foreign products, because this hurts American business and causes unemployment.

**Willingness to Avoid Foreign Products** *(modified from Josiassen 2011)*

• I do not like the idea of owning foreign products.
• If it was an option, I would avoid purchasing foreign products.
• Whenever possible, I avoid buying foreign products.

**Willingness to Buy Domestic Products** *(modified from Josiassen 2011)*

• Whenever available, I prefer to buy products that are made in the US.
• I always seek American products.
• Whenever possible, I buy American products.

**Willingness to provide positive word of mouth** *(modified from Arnett, German and Hunt 2003)*.

• I talk up American products to people I know.
• I bring up American products in a positive way in conversation I have with friends and acquaintances.
• In social situations I often speak favorably about American products.

**Willingness to provide negative word of mouth** *(modified from Zhang et al. 2014)*.

*‘If a friend asks you about buying a foreign product, to what will you tell or not tell something negative about foreign products?’*

• Certain not to tell something negative/ certain to tell something negative.
• Very unlikely to tell something negative/ very likely to tell something negative.
• Probably will not tell something negative/ probably will tell something negative.
Resistance to positive information about foreign companies (modified from Eisingerich et al. 2011).
- Positive information about foreign companies does not change my view of them.

Resistance to negative information about domestic companies (modified from Eisingerich et al. 2011).
- Negative information about American companies does not change my view of them.

- I feel uncomfortable in new and unfamiliar situations/ I like new and unfamiliar situations.
- I don’t like to be confronted with new ideas/ I like to be confronted with new ideas.
- I feel uncomfortable with people I do not know/ I like to join people I do not know.

Conformity (modified from Oesterreich 2005). Measured on a 7-point semantic differential.
- I like groups where everything has been organized/ I like groups where the members have to organize everything by themselves.
- I have no problems following orders, even when I am not convinced of their necessity/ I have problems following orders that I am not absolutely convinced of.
- I follow orders given by superiors, even when I am not convinced/ I try to get around orders which do not convince me.

Zero-sum perception scale (newly developed)
- The more resources other [group] obtain, the less is available for us.
- Any gains that other [group] might make must be at the expense of our own [group].
- If other [group] become more powerful, this means in turn that we become less powerful.
- More wealth for other [group] means less wealth for us.

Negative emotions (adapted from Laros and Steenkamp 2005)
‘To what extent do you feel the following emotions toward foreign companies?’

Contending emotions
- Angry
- Mad
• Irritated

Accommodating emotions

• Worried
• Afraid
• Anxious

Positive emotions

‘To what extent do you feel the following emotions toward American companies?’

• Pride
• Admiration
• Like
• Emotionally bonded

Method applied to screen data

Two screener questions (‘Please select agree as answer here’ and ‘Select neutral here’) were interspersed throughout the questionnaires. Respondents who provided at least one wrong answer to the screener questions, thereby indicating a lack of attention, were deleted from the sample.

Study 1

Qualitative collection method

We recruited potential respondents through a street-intercept procedure in both rural and urban regions in Germany. We asked them to fill out a brief screening questionnaire that contained items reflecting a generic xenophobia scale (five items) (Van der Veer et al. 2013). We determined their xenophobic levels (average or above-average) according to a cutoff of 3 out of 7 (Ouellet 2007) on the xenophobia scale. This cutoff point was established through a pretest of the scale, which revealed a median of approximately 3.

Among the 73 randomly approached respondents who agreed to fill out the short questionnaire, 43 prequalified for interviews. Of these 43 respondents, 31 agreed to take part in the interviews (19 in the rural and 12 in the urban regions). To elicit content for an issue
that may be sensitive to social desirability biases, we used a projective third-person technique, in which respondents were presented with a scenario/issue that described the many foreign companies operating and selling their products in Germany. We asked respondents to describe beliefs, emotions, and behaviors that might be adopted by xenophobic German consumers toward foreign companies. We eliminated duplicate items from the two procedures, leaving 41 items reflecting the content of CXO. To ensure satisfactory levels of content and face validity, five researchers with knowledge of the area evaluated the items with regard to how well they reflected the full content of the CXO construct. As a result of the expert judges’ evaluations, we eliminated 14 items, leaving 27 items.

**Study 2**

*Dimensionality Testing of NEMO*

In an initial EFA all six items of NEMO loaded on one factor with factor loadings above .8, while all four PEMO items loaded on another factor. To further investigate the dimensionality of NEMO, we tested three CFA models: (1) two first-order constructs that treated accommodating and contending emotions as distinct concepts, (2) one first-order construct that treated all items as interchangeable manifestations of one latent construct, and (3) a second-order construct that treated the two emotions as distinct yet related concepts that constitute more concrete dimensions of an abstract higher-order construct (i.e., NEMO). The second-order model yielded excellent fit ($\chi^2$/df = 2,234; CFI = .981; TLI = .975; RMSEA = .069; SRMR = .023), whereas all the first-order models indicated worse fit (e.g., for the first-order model: $\chi^2$/df = 6,130; CFI = .912; TLI = .892; RMSEA = .140; SRMR = .035). For the chosen model, the first- and second-order loadings were high (> .88), and discriminant validity between the dimensions was achieved, lending support to the second-order conceptualization, which is reflective at both the first- and second-order levels.