

Effects of Consumer Ethnocentrism, Cosmopolitanism and Cultural Intelligence on the Acceptance of Foreign Brands

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ABSTRACT

Globalization of the market has diminished the importance of national borders, so that an increasing number of companies are internationalizing their business. It is very important that the company's management investigates the characteristics of the foreign market in which it wants to operate. It is necessary to formulate and implement adequate marketing strategy, which will take into account ethnocentric tendencies and the cultural framework of consumers. Consumer ethnocentrism usually comes to the fore during crisis situations and a number of consumers want to strengthen the national economy by purchasing domestic products and services. On the other hand, a number of consumers have developed a high degree of cosmopolitanism and cultural intelligence, which implies preferences for foreign brands over domestic ones. The aim of this scientific paper is to identify some of the most important drivers of consumer ethnocentrism (patriotism, conservatism, dogmatism), and then to examine whether consumer ethnocentrism, cosmopolitanism and cultural intelligence through their basic factors (metacognitive, cognitive, motivational and behavioral factors) influence the formation of consumer attitudes towards foreign brands. It also examines whether the positive attitude of consumers towards foreign brands affects the loyalty of consumers to foreign brands, because it is necessary for companies to move from transactional marketing to customer relationship management, because loyal consumers are a stable source of income and enable long-term profitable business. Empirical research was conducted using a survey method in the Republic of Serbia (Belgrade, Kragujevac). The results of the research showed that consumer ethnocentrism has a negative statistically significant impact, and consumer cosmopolitanism and cultural intelligence have a positive statistically significant impact on consumer attitudes towards foreign brands, and a positive attitudes implies consumer loyalty to foreign brands.

Key words: *consumer ethnocentrism, consumer cosmopolitanism, cultural intelligence, foreign brands*

JEL Classification: A13, M21, M31

INTRODUCTION

Due to the process of globalization and liberalization of international trade, an increasing number of companies are internationalizing their business, that is placing their brands on foreign markets (Wong, Polonsky & Garma, 2008). Consumer have a large number of alternative brands at their disposal in the purchasing process, so the formulation and implementation of an adequate marketing strategy is a great challenge for marketing managers of multinational companies (Dey, Alwi, Yamoah, Agyepong, Kizgin & Sarma, 2019). Some consumers have pronounced ethnocentric tendencies and buy exclusively products and services of domestic origin. This enables the

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strengthening of the national economy, increasing the employment of the population and increasing living standards (Akbarov, 2022). Also, consumers with expressed ethnocentric tendencies consider it their moral and ethical obligation to buy domestic products and services (Souiden, Ladhari & Chang, 2018). One of the most important drivers of consumer ethnocentrism is patriotism, which is defined as a feeling of love, pride, attachment and loyalty to one's country (Sharma & Wu, 2015). Also, consumers who are conservative, respect traditions, customs, social institutions, norms and rules of conduct, usually have pronounced ethnocentric tendencies (Jain & Jain, 2013). Ethnocentric consumers buy domestic products even in situations when they are inferior to foreign products in terms of quality, reliability and technical performance, which can be explained by dogmatism that represents beliefs and principles to be adhered to, although they don't have logical explanations and scientific groundedness (Shankarmahesh, 2006). On the other hand, the process of globalization has enabled the exchange of ideas, products, services, cultural values, so that a certain number of citizens have expressed cosmopolitanism, which reflects the tendency of these individuals to adapt to foreign cultures (Prince, Yaprak & Palihawadana, 2019). These peoples are characterized by global prudence, a high level of information and monitoring of technological discoveries, a developed global consumer culture, and thus a desire to buy foreign brands (Rabelo Neto, Sousa-Filho & Carneiro Lima, 2022). Modern trends show that people want to get to know foreign cultures, history and traditions of other countries, their customs and cultural heritage (Yazdanshenas, 2021). Traveling abroad has become much more affordable, so that when visiting foreign tourist destinations, people can make contact with the local population, exchange ideas and opinions and thus gain new authentic experiences and develop their cultural intelligence (Bhardwaj, 2021). Marketers points out that the very concept of cultural intelligence consists of a group of developed abilities. Metacognitive and cognitive abilities include the possession of intercultural knowledge and skills, understanding of cultural differences and knowledge of norms, customs, legal systems of other countries. Motivational abilities imply investing energy and a high degree of self-confidence in intercultural communication, while behavioral abilities imply adequate verbal and nonverbal behavior when communicating with people from other cultures (Liu, Wu, Xu & Chen, 2021). Consumer decision to accept foreign brands is influenced by many factors. A brand is defined as a mark, symbol or any other characteristic that distinguishes the products and services of one seller from its competitors (Gammoh, Koh & Okoroafo, 2020).

The subject of this research is the analysis of the drivers of consumer ethnocentrism and its definition as a concept, as well as the definition of the concept of consumer cosmopolitanism and cultural intelligence and the analysis of their impact on consumer decision to accept foreign brands. It is also necessary to analyze whether consumers are ready to make long-term purchases after forming a positive attitude towards a certain foreign brand, because loyal consumers are one of the main goals of every company, because they enable long-term profitable business, and marketers also point out that it is much cheaper existing customer, rather than attract a new one.

The research consists of five parts. After the introductory part, the concepts of consumer ethnocentrism, cosmopolitanism and cultural intelligence were defined within the literature review. Their most significant drivers, factors, as well as methods and scales used for their measurement and analysis are listed. Also, in this part, research hypotheses are conceived and the conceptual model of the study is presented. The third part deals with the research methodology and sample structure. Empirical research was conducted on the territory Republic of Serbia using a survey method. Data were analyzed through SPSS statistical software. From statistical analyzes, reliability analysis was used to determine whether the set research model was relevant, as well as regression analysis in order to test research hypotheses. The fourth part presents the results of these statistical analyzes, while the study concludes with the main implications of research that can be helpful to managers of multinational companies in internationalizing business and formulating an adequate marketing strategy.

LITERATURE REVIEW

Ethnocentrism is a sociological concept that represents the tendency of people to see their culture as dominant and the best in relation to the cultures of all other countries (Bizumic, 2019). From the basic concept developed consumer ethnocentrism, whose basic principle is the purchase of domestic products and services due to bias towards the home country and implies general care for the protection of the national economy, encouraging employment and can be seen as an ethical dimension related to the fact that the purchase of imported products is unpatriotic behavior (Zdravkovic, Sapic & Filipovic, 2020). The purchase of foreign products and services has economic consequences for the domestic economy, leading to the closure of domestic companies and a decline in living standards (Yen, 2018). Governments of certain countries conduct marketing campaigns and appeal to citizens to buy domestic products. However, the question arises as to whether it is justified to direct citizens to buy domestic products, which are usually inferior to foreign products in terms of their level of quality, reliability, technical characteristics and performance (Marinkovic, 2017). Also, the application of protectionist economic policies leads to reciprocal measures of other countries and represents a significant barrier to the development of foreign trade and progressive economic relations with other countries (John & Brady, 2011). Consumers show ethnocentric tendencies to a significant extent during crisis situations. The Covid 19 virus pandemic has caused significant geopolitical tensions and disrupted market supply. Despite global appeals to find a common solution and show solidarity, consumers mostly decided to buy domestic products that were generally available on the market, and at the same time to support the domestic economy (He & Haris, 2020). Also, if there is animosity towards a country due to war or economic conflicts, consumers avoid buying products that originate from that country (Lee, Lee & Li, 2017). For example, Western countries imposed sanctions for Russia in 2014 over the Ukraine crisis, and Russia retaliated with reciprocal measures banning the United States, Canada, Australia and the EU from exporting certain food and agricultural products to Russia, such as meat, fish, fruit, vegetables (Yormizoev, Teuber & Li, 2019). The conflict escalated in early 2022 year. Due to the process of globalization, there is a decrease in cultural homogeneity, ie an increase in cultural heterogeneity, so that in every culture there is an increasing number of subcultures. In this way, regional ethnocentrism appears, so that, for example, the inhabitants of the autonomous province of Catalonia buy only brands originating from Catalonia, and refuse to buy foreign brands and even brands from Spain, which is their home country, because they demand state independence (Abdelwahab, Jimenez, San-Martin & Prodanova, 2020).

Shankarmahesh (2006) states in his classification that there are four groups of drivers of consumer ethnocentrism: 1. Sociopsychological factors (patriotism, conservatism, dogmatism and others) 2. Economic factors (capitalism, economic development, living standards, etc.) 3. Political factors (political propaganda, political history, manipulations of leaders, etc.) 4. Demographic factors (such as gender, age, education). This research will examine whether patriotism, conservatism and dogmatism, as socio-psychological factors, have an impact on consumer ethnocentrism.

Patriotism represents the feeling of love or concern of an individual for his country, as well as the degree of connection of an individual with his nation and its symbols. Patriotism encompasses the instrumental affiliation, of an individual realizes as a member of a certain nation (eg citizenship), while sentimental affiliation implies that personal values that an individual perceives as correct are complementary to national values (Pentz, Terblanche & Boshoff, 2017). Previous research has found a positive correlation between patriotism and consumer ethnocentrism (Vida & Reardon, 2008; Marinkovic 2017; Pavlovic & Savic, 2017). Conservatism implies respect for tradition, history, customs, social norms that are characteristic of a nation (Zalega, 2017). Previous research has found a positive correlation between conservatism and consumer ethnocentrism (Javalgi, Khare, Gross & Scherer, 2005; Jain & Jain, 2013). Dogmatism implies beliefs and rules of conduct that must be followed, although they do not have an exact scientific basis (Shankarmahesh, 2006). Paul, Gupta & Tyagi (2021) found in their study that dogmatism

has a positive effect on ethnocentric consumer tendencies. Based on the above research, the following research hypotheses can be formulated:

H1a: Patriotism has a positive statistically significant impact on consumer ethnocentrism.

H1b: Conservatism has a positive statistically significant impact on consumer ethnocentrism.

H1c: Dogmatism has a positive statistically significant impact on consumer ethnocentrism.

Most researchers use the CET scale (Consumer Ethnocentric Tendency Scale) created by Shimp & Sharma (1987), to measure consumer ethnocentrism. This scale contains 17 statements, although in field marketing research a smaller number of statements are generally chosen, which will be the approach in this research as well. The NATID scale (The National Identity Scale) created by Keillor & Hult (1999), is also used to measure consumer ethnocentrism. This is essentially a scale for measuring national identity, but consumer ethnocentrism is one of its components. There are other scales that are less used in research, such as CEESCALE (Consumer Ethnocentrism Extended Scale) created by Siamagka & Balbanis (2015), which consists of five dimensions, prosociality, cognition, insecurity, reflexivity and habituation. There is also CESSCALE (Revised Consumer Ethnocentrism Scale) created by Sharma (2015), which has three dimensions to measure ethnocentrism, affective reaction, cognitive bias and behavioral preferences.

There are numerous studies in the academic literature that have found that consumer ethnocentrism (CET) has a positive effect on consumers' decision to buy domestic products and services (Deb & Chaudhuri 2014; Marinkovic 2017, Pavlovic & Savic 2017, Sapic, Filipovic & Dlacic, 2019, Zdravkovic, Sapic & Filipovic, 2020). Based on the above, the following research hypothesis in the paper:

H2: Consumer ethnocentrism has a negative statistically significant impact on consumer attitudes towards foreign brands.

Cosmopolitanism is a concept that has a sociological genesis and implies a high degree of worldview, openness to other cultures and understanding the differences that exist between them. Cosmopolitans differ from the local population because they went to travel beyond national borders and get to know the traditions, history and customs of other countries (Srivastava, Gupta & Rana, 2021). Cosmopolitanism has gained in importance due to the process of global integration, political cooperation and the development of international trade. Consumer cosmopolitanism has developed from the basic concept, which refers to the economic dimension, ie it represents the preferences of cosmopolitans towards foreign products, services and brands (Lee & Mazodier, 2015). In his study, Sapic (2017) found that consumer cosmopolitanism has a positive impact on consumers' decision to accept foreign brands and visit foreign fast food restaurants. Prince, Yaprak & Palihawadana (2019) found that consumer cosmopolitanism has a positive impact on consumer attitudes towards foreign brands, as well as on their intention to become loyal to certain foreign brands. From the above studies, the research hypothesis follows:

H3: Consumer cosmopolitanism has a positive statistically significant impact on consumer attitudes towards foreign brands.

Cultural intelligence (CQ) is defined as a set of competencies that help an individual to adapt to an intercultural environment and to have a high degree of self-confidence when communicating with people from other cultures (Presbitero, 2017). Due to the global integration, there has been a significant increase in the number of business and tourist trips in the world, so that people improve their level of cultural intelligence by learning about the values of other cultures, their history, visiting cultural monuments, and landmarks, communicating with locals and learn a foreign language (Zdravkovic & Pekovic, 2021b). Cultural intelligence has implications in the academic world, ie an increasing number of students believe that studying abroad is a valuable experience, because it allows, in addition to obtaining a degree, to get to know other cultures (Bernadette & Diane, 2016). Also, cultural intelligence has implications in the business world, because employees in multinational companies come from different cultures, so it is very important that the leader and all members of project teams have developed a high level of cultural

intelligence, which helps them achieve high business performance and thereby enabling business owners to meet the level of profit (Chen, Liu & Portnoy, 2012). Also, strategic partners come from culturally diverse backgrounds and need to have a developed level of cultural intelligence that allows them to know the legal and economic systems of other cultures, religious values, and they need this information for successful cooperation (Cui, Liu, Xia & Cheng, 2019).

The most well-known way to measure cultural intelligence is the method of self-assessment and it involves individuals giving answers to 20 statements, which are used to determine their level of cultural intelligence (Ang et al., 2007). Also, an observer's report is often used, where experts and supervisors summarize their perceptions of one's cultural intelligence (Van Dyne, Ang & Koh, 2008). Ang, Rockstuhl, & Ng (2014) presented a cultural situation assessment test that measures cultural intelligence. Respondents are shown pictures and given some time to think and then explain how they perceive the situation, and their non-verbal behavior is analyzed (views, facial expressions). Ang, Rockstuhl & Tan (2015) have proposed combining different methods for measuring cultural intelligence, as they provide complementary information so as to increase the relevance and reliability of the results obtained. Earley & Ang (2003) state that there are four basic factors of cultural intelligence: metacognitive, cognitive, motivational and behavioral.

Metacognitive processes refer to understanding the cultural differences that exist between different nations (Zdravkovic, 2021). In their study, Ang & Van Dyne (2015) state that metacognitive cultural intelligence influences, among other things, consumer preferences for foreign product. Cognitive cultural intelligence implies knowledge of the functioning of foreign social systems, institutions, knowledge of laws, norms and rules of conduct (Yazdanshenas, 2021). The cognitive factor of cultural intelligence affects the ability of marketing managers in terms of recognizing positive signals from the market, proactively reacting and making good decisions in conditions of market uncertainty and incomplete information of economic actors. Also, the cognitive factor influences the decision of consumers to buy foreign products and services (Lorenz, Ramsey & Glenn Richey, 2018). Motivational cultural intelligence means investing energy and showing enthusiasm for getting to know other cultures, their values systems and communicating with the local population (Pratono & Arli, 2020). Consumers with a high degree of motivational cultural intelligence visit foreign tourist destinations and buy foreign brands (Frias-Jamilena, Sabiote-Ortiz, Martin-Santana & Beerli-Palacio, 2018). Behavioral cultural intelligence implies the application of certain verbal and non-verbal competencies that enable and individual to change the strength of tone, accent, facial expressions, body language and to better adapt to the intercultural situation (Rahman, Abdel Fattah, Hussain & Hossain, 2021). Zdravkovic & Pekovic (2021a) found that behavioral cultural intelligence has a positive impact on consumers' decision to buy foreign brands. Based on the mentioned studies, the following research hypotheses can be formulated:

H4a: The metacognitive factor of cultural intelligence has a positive statistically significant impact on consumers attitudes towards foreign brands.

H4b: The cognitive factor of cultural intelligence has a positive statistically significant impact on consumers attitudes towards foreign brands.

H4c: The motivational factor of cultural intelligence has a positive statistically significant impact on consumers attitudes towards foreign brands.

H4d: The behavioral factor of cultural intelligence has a positive statistically significant impact on consumers attitudes towards foreign brands.

It is very important that marketing managers formulate and implement a good marketing strategy that will influence consumers to form positive attitudes towards the brands of a given company and to achieve a certain degree of satisfaction when using the brand. However, it is not enough for a consumer to make one purchase, but the first purchase needs to be the beginning of a transition process whose end result is consumer loyalty (Liu, Li, Mizerski & Soh, 2012). It is necessary for companies to move from transactional marketing to customer relationship

management, ie to build a partnership with their clients, because a large number of loyal clients enables the company to continuously operate successfully and achieve all set goals, especially profits (Anisimova, Weiss & Mavondo, 2019). Based on the above, the following research hypothesis can be formulated:

H5: The formed positive attitude of consumers towards a foreign brand has a positive statistically significant impact on consumer loyalty to a foreign brand.

In order to facilitate the monitoring of the structure of the paper, research variables are presented through a conceptual model, as well as research hypotheses through which their interdependence will be analyzed (Figure 1).

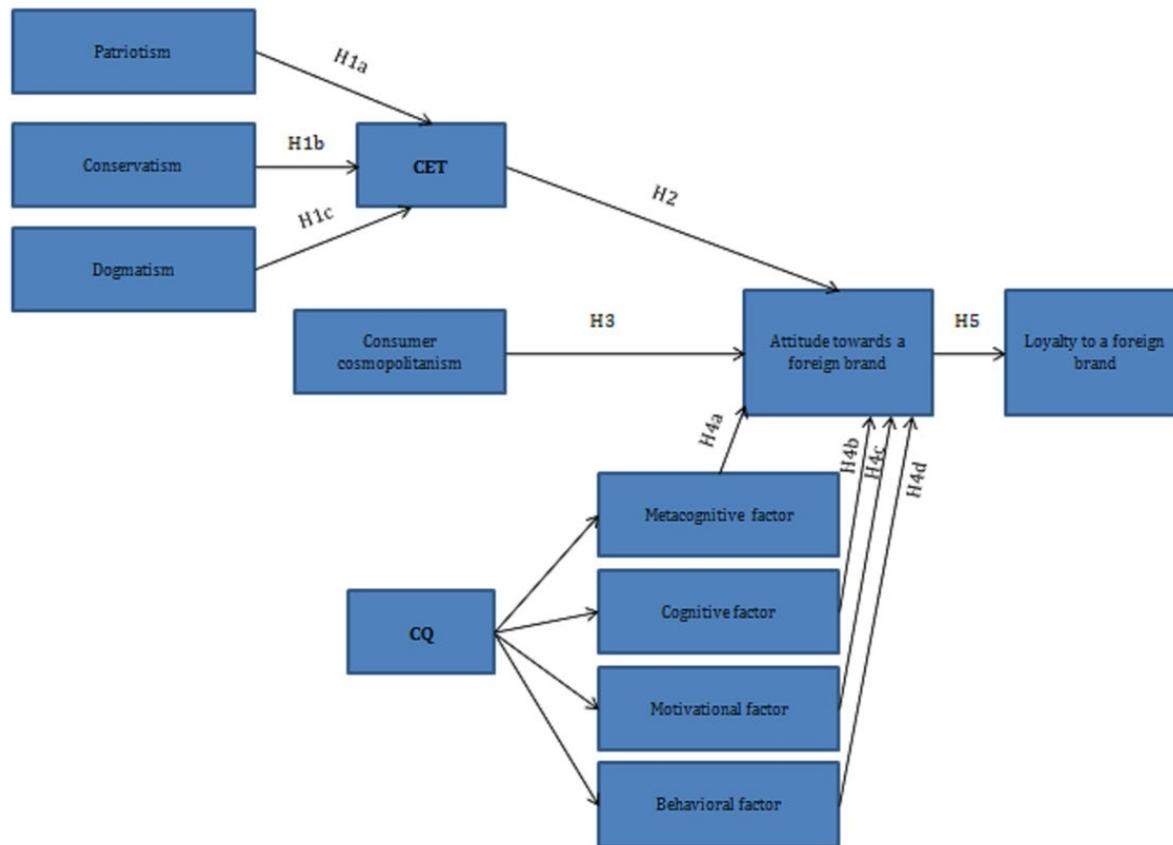


Figure 1. Conceptual model

Source: Authors

RESEARCH METHODOLOGY

Empirical research was conducted on the territory of the Republic of Serbia (Belgrade, Kragujevac) at the end of 2021 year. The research was conducted by the method of a simple random sample, the questionnaire was distributed personally and electronically to the respondents, who evaluated the statements from the questionnaire using the Likert scale with grades from 1 to 7 (1-absolutely disagree with the statement; 7-absolutely agree with the statement). The total sample consists of 305 respondents, who are segmented according to certain demographic characteristics (gender, age, education, status). An overview of the demographic structure of the respondents is given in Table 1. The statements from the questionnaire are taken from relevant scientific papers in the field of marketing and management, which is a regular approach in field research. Within the results of the research, all the statements that were used are listed, and by applying certain statistical analyzes, it was determined that they are internally

consistent and can be grouped into factors, ie research variables. Data were analyzed through statistical software SPSS, and from statistical analyzes, factor analysis and reliability analysis were applied to determine whether the statements used were internally consistent and whether the research model was relevant and reliable, while regression analysis was applied to test research hypotheses.

Table 1. Demographic structure of respondents

		Number of respondents	Percentage of respondents
Gender	Females	147	48.2 %
	Male	158	51.8 %
	Total	305	100 %
Age	Up to 20 years	41	13.4 %
	21-30 years	118	38.7 %
	31-40 years	52	17.0 %
	41-50 years	56	18.4 %
	51 years and older	38	12.5 %
	Total	305	100 %
Education	Primary school	25	8.2%
	High school	143	46.9%
	College	137	44.9%
	Total	305	100 %
Status	Unemployed	47	15.4%
	Employed	98	32.1%
	Student	118	38.7%
	Retired	42	13.8%
	Total	305	100%

Source: Authors

In the total sample of respondents, there are 147 women and 158 men. The largest number of respondents is between the ages of 21 and 30. Most respondents have completed high school or college. When it comes to status, the largest number of respondents in the sample are students, followed by employees, and the number of unemployed and pensioners is approximate.

RESEARCH RESULTS

The statements used in questionnaire were taken from relevant papers in the field of marketing. By applying factor analysis, statements are grouped into factors, ie into research variables (Table 2). Consumer ethnocentrism, consumer cosmopolitanism, attitude towards a foreign brands, loyalty to a foreign brand were measured by three statements. Drivers of consumer ethnocentrism (patriotism, conservatism, dogmatism) and factors of cultural intelligence (metacognitive, cognitive, motivational and behavioral factor) were measured by two statements, because the questionnaire is quite extensive, ie to take less time from respondents when filling out the questionnaire. However, the results of factor analysis and reliability analysis show that the stated approach is correct, all obtained values are stable, research variables are measured through adequate statements and the research model is relevant and reliable.

Table 2. Research variables and corresponding statements

Research variables	Statements	Factor saturation	Adapted to the source
Patriotism	1. I am proud to be a citizen of the Republic of Serbia.	0.81	Marinković (2017)
	2. I am proud to see the flag of the Republic of Serbia waving.	0.77	
Conservatism	1. I respect the customs and traditions of Serbian culture.	0.82	Pentz, Terblanche & Boshoff (2017)
	2. I support the work of social institutions in the Republic of Serbia.	0.78	
Dogmatism	1. I think that It is only right to buy products and services that originate from the Republic of Serbia.	0.83	Shankarmahesh (2006)
	2. I always buy Serbian products and I do not need special reasons and explanations for such a decision.	0.82	
Consumer ethnocentrism (CET)	1. We need to buy products from the Republic of Serbia and strengthen the national economy.	0.79	Zdravkovic, Sapić & Filipović (2020)
	2. Imports of goods cause economic consequences and reduce the employment of population.	0.78	
	3. I prefer exclusively the purchase of products and services originating from Serbia.	0.75	
Consumer cosmopolitanism	1. I want to get to know the traditions and culture of other countries and to try foreign gastronomic specialites.	0.87	Sapić (2017)
	2. I believe that foreign products have a high degree of quality.	0.83	
	3. I am innovative and I want to buy foreign brands, because they have excellent performance.	0.81	
Cultural intelligence (CQ) a) Metacognitive factor b) Cognitive factor c) Motivational factor d) Behavioral factor	1a) I try to improve my cultural knowledge by interacting with people from other countries.	0.83	Ang et al. (2007)
	2a) Cultural knowledge helps me to adapt in a foreign environment.	0.81	
	1b) I know the social systems of other countries.	0.90	
	2b) I know the art and cultural heritage of other countries.	0.88	
	1c) I enjoy communicating with people from other cultures.	0.75	
	2c) I have confidence in intercultural communication.	0.73	
	1d) In intercultural situations, I apply appropriate verbal behavior (accent, tone).	0.76	
	2d) During intercultural communication I adjust my non-verbal behavior (body language, facial expression).	0.71	
Attitude towards a foreign brand	1. I prefer to buy foreign products.	0.91	Son, Jin & George (2013)
	2. Foreign brands have a high degree of quality.	0.87	
	3. Foreign brands provide prestige in society.	0.85	
Loyalty to a foreign brand	1. I will continue to buy foreign brands in the future.	0.83	Moller Jensen & Hansen (2006)

Research variables	Statements	Factor saturation	Adapted to the source
	2. I am ready to recommend foreign brands to my family members.	0.81	
	3. I recommended foreign brands to my friends.	0.77	

Source: Authors

All assumptions for the application of factor analysis are justified. All statements were measured using an interval scale. The total number of respondents in the sample is 305, and the number of statements in the questionnaire is 26, and the condition for applying factor analysis is that in this ratio there are least 10 times more respondents in the sample than the findings in the questionnaire (Jovetić, 2015). Based on the factor analysis, statements are grouped into 11 main factor (patriotism, conservatism, dogmatism, consumer ethnocentrism, consumer cosmopolitanism, metacognitive, cognitive, motivational and behavioral factor of cultural intelligence, attitude and loyalty of consumer towards foreign brand). In the case of tests relating to the justification of the application of factor analysis, satisfactory results have also been obtained (Table 3).

Table 3. KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.765
Bartlett's Test of Sphericity	Approx. Chi-Square	548.068
	Df	10
	Sig.	0.000

Source: Authors

The value of Kaiser-Meyer-Olkin coefficient 0.765 is greater than the threshold of 0.60, which indicates that the conditions for conducting factor analysis are met (Pallant, 2005). Also, the value of the Bartlett's Test shows statistical significance ($\chi^2=548.068$, Sig=0.000), ie it confirms that there is a statistically significant correlation and internal consistency between the statements through which the research factor (variables) are measured.

Reliability analysis is also applied in the research, in order to examine the internal consistency between the used statements and to examine the relevance of the set research model. The results are presented in Table 4.

Table 4. Reliability analysis

Research Variables	Cronbach's alpha coefficient
Patriotism	0.78
Conservatism	0.79
Dogmatism	0.80
Consumer ethnocentrism	0.80
Consumer cosmopolitanism	0.84
Metacognitive factor of cultural intelligence	0.81
Cognitive factor of cultural intelligence	0.88
Motivational factor of cultural intelligence	0.71
Behavioral factor of cultural intelligence	0.72
Attitude towards a foreign brand	0.88
Loyalty to a foreign brand	0.80

Source: Authors

In order for the used statements to be internally consistent and for the research model to be relevant, it is necessary for the value of the Cronbach's alpha coefficient to be greater than 0.70 (Nunnally, 1978), and such a result was obtained for all used research variables. Multiple regression analysis was applied to examine the influence of patriotism, conservatism and dogmatism on consumer ethnocentrism (Table 5).

Table 5. Multiple regression analysis (dependent variable: *consumer ethnocentrism*)

Independent variables	Beta coefficient	T test	Sig value	VIF coefficient
Patriotism	0.154*	1.990	0.057	2.282
Conservatism	0.128*	1.701	0.090	2.160
Dogmatism	0.263**	4.370	0.000	1.379

Source: Authors

Note: **-level of significance 0.01; *-level of significance 0.1 $R^2 = 0.458$

The coefficient of determination is $R^2 = 0.458$, which means that 45.8 % of the variability of the dependent variable consumer ethnocentrism is explained by a given regression model. The value of VIF coefficient is less than the limit values 5, so there is no problem of multicollinearity (Field, 2000). Variables Patriotism ($\beta=0.154$; $\text{Sig}=0.057$), Conservatism ($\beta=0.128$; $\text{Sig}=0.090$) and Dogmatism ($\beta=0.263$; $\text{Sig}=0.000$) have a positive statistically significant impact on consumer ethnocentrism, so that **research hypotheses H1a, H1b and H1c have been confirmed**. Multiple regression analysis was applied to examine the influence of consumer ethnocentrism, consumer cosmopolitanism and cultural intelligence (metacognitive, cognitive, motivational and behavioral factor) on attitude consumers towards a foreign brands. The results are presented in Table 6.

Table 6. Multiple regression analysis (dependent variable: *attitude towards a foreign brand*)

Independent variables	Beta coefficient	T test	Sig value	VIF coefficient	
Consumer ethnocentrism	-0.296**	-2.826	0.005	4.984	
Consumer cosmopolitanism	0.438**	6.737	0.000	2.308	
Cultural intelligence	Metacognitive factor	0.088	0.371	0.465	4.489
	Cognitive factor	0.240**	4.205	0.000	1.782
	Motivational factor	0.179**	3.650	0.000	1.318
	Behavioral factor	0.174**	3.514	0.002	4.480

Source: Authors

Note: **-level of significance 0.01; $R^2 = 0.675$

The coefficient of determination is $R^2 = 0.675$, which means that 67.5 % of the variability of the dependent variable attitude towards a foreign brand is explained by a given regression model. The value of VIF coefficient is less than the limit values 5, so there is no problem of multicollinearity (Field, 2000). Variable Consumer ethnocentrism ($\beta= -0.296$; $\text{Sig}=0.005$) has a negative statistically significant impact on attitude towards a foreign brand, while on the other hand variable Consumer cosmopolitanism ($\beta=0.438$; $\text{Sig}=0.000$) has a positive statistically significant impact on attitude towards a foreign brand, so that **research hypotheses H2 and H3 have been confirmed**. Cognitive factor ($\beta=0.240$; $\text{Sig}=0.000$), Motivational factor ($\beta=0.179$; $\text{Sig}=0.000$), and Behavioral factor ($\beta=0.174$; $\text{Sig}=0.002$) of Cultural intelligence have a positive statistically significant impact on attitude towards a foreign brand, while the influence of the

metacognitive factor ($\beta=0.088$; $\text{Sig}=0.465$) of Cultural intelligence is not statistically significant, so that research hypothesis **H4a has not been confirmed, while research hypothesis H4b, H4c and H4d have been confirmed.**

When the consumers forms a positive attitude towards a foreign brand, they perform the buying process. However, there is a lot of competition in today's world market, so the goal of companies is to make the consumer loyal to their brands. The goal of every company is to move from transactional marketing to customer relationship management (CRM), because loyal consumers are a source of long-term profitable business. Due to the above, by applying a simple regression analysis, it examines whether the formed positive attitude of consumers towards a certain foreign brand, affects consumer loyalty (Table 7).

Table 7. Simple regression analysis (dependent variable: *loyalty to a foreign brand*)

Independent variable	Beta coefficient	T test	Sig value
Attitude towards a foreign brand	0.606**	13.248	0.000

Source: Authors

Note: **-level of significance 0.01; $R^2 = 0.367$

The coefficient of determination is $R^2=0.367$, which means that 36.7 % of the variability of the dependent variable loyalty to a foreign brand is explained by a given regression model. Variable Attitude towards a foreign brand ($\beta=0.606$; $\text{Sig}=0.000$) has a positive statistically impact on loyalty to a foreign brand, so that **research hypothesis H5 has been confirmed.** That is, the formed positive attitude of consumers towards a certain foreign brand has a direct impact on loyalty to the same brand.

CONCLUSION

The research was conducted to examine whether patriotism, conservatism and dogmatism are the drivers of consumer ethnocentrism, as well as to examine the impact of consumer ethnocentrism, consumer cosmopolitanism and cultural intelligence (metacognitive, cognitive, motivational and behavioral factor) on consumer attitudes towards foreign brands. It was also examined whether the formed positive attitudes of consumers towards foreign brands affect their loyalty to foreign brands. The academic literature examines the individual impact of these determinants on the acceptance of foreign brands, but as the *main contribution and originality of this research*, we can mention the fact that a holistic and integrative approach was applied, ie the research model is designed to examine the common effect of all these determinants on consumer attitudes and loyalty to foreign brands.

Theoretical implications are reflected in the expansion of scientific knowledge about the impact of these determinants on consumer decision to accept foreign brands and arise from research hypotheses that become valid scientific knowledge. The results of research confirmed the results of previous studies that patriotism, conservatism and dogmatism have a positive impact on consumer ethnocentrism (Pentz, Terblanche & Boshoff, 2017; Marinkovic 2017; Pavlovic & Savic, 2017; Paul, Gupta & Tyagi, 2021) Also, the results show that consumer ethnocentrism has a negative impact on consumer attitudes towards foreign brands, while consumer cosmopolitanism and cultural intelligence (through cognitive, motivational and behavioral factors) have a positive impact on the acceptance of foreign brands, and similar results have been obtained through previous studies (Sapic, 2017; Zdravkovic, Sapic & Filipovic, 2020; Zdravkovic & Pekovic, 2021a, Zdravković & Pekovic, 2021b) This research didn't prove that the metacognitive factor of cultural intelligence has a positive impact on consumer attitudes towards foreign brands, which can be explained by the fact that there are many young respondents in the sample, and metacognitive processes in humans develop with age. The formed positive attitude towards a foreign brand also

affects consumer loyalty, and the same result was obtained in the previous study (Anisimova, Weiss & Mavondo, 2019).

Managerial implications are based on helping international marketing managers consider the factors that influence consumer's decisions to accept foreign brands. It is necessary to formulate and implement an adequate marketing strategy that will take into account the ethnocentric tendencies of consumers and their cultural framework. Also, it is necessary for companies to form as large a base of loyal consumers as possible, because they are a stable source of income and enable long-term profitable business. The transition from transactional marketing to customer relationship management should be the goal of every successful company.

The limitation of research is reflected in the relatively small sample size and the fact that it was conducted on the territory of one country. Cross-cultural research provides more comprehensive results because it allows the attitudes and opinions of members of different nations to be compared. In addition, the *directions of future research* could be based on the analysis of another drivers of consumer ethnocentrism (for example, national identity, animosity, materialism), as well as the inclusion of some more variables in the research model, which could be a significant determinants of foreign brands acceptance (eg country of origin image, consumer xenocentrism).

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