

Animosity within borders: The mediating roles of regional identification and perceived discrimination on regional media preference

Abstract

Purpose — This study aims to identify and examine the antecedents and consequence of regional animosity and their impacts on regional media preference.

Design/methodology/approach — Computer-assisted telephone interviews were conducted with randomly selected adult residents in Northern (206) and Southern (201) Taiwan. The data were analysed using structural equation modelling in LISERAL and fuzzy-set qualitative comparative analysis.

Findings — The findings reveal that perceived economic threat, economic hardship and dissatisfaction with government economic policy increase home region identification and perceived discrimination, which in turn lead to heightened animosity towards the opposite foreign region. This increasing animosity then affects consumer choice over home region media compared to media originated from the other region.

Research limitations/implications — The findings suggest that military and political tensions alone cannot explain why consumers would harbour animosity between one region and another within the same country due to social and economic reasons. The constructs chosen in this research should be seen only as a snapshot but other variables such as a region's natural environment and its human factors are not taken into account. Future studies would benefit from inclusion of these variables and a wider geographical scope.

Practical implications — Several implications are extracted to help marketing and branding personnel better shape their marketing, communication and media strategies, as well as to help government policy makers and political parties revise existing policy to reduce the animosity.

Originality/value — By investigating animosity within borders, this study provides fresh insights to help explain how economic factors contribute to increased regional animosity through the mediating effect of regional identification and perceived discrimination. The findings broaden existing understanding about the concept of animosity and its impact on consumer behavior.

Keywords: Regional animosity, regional identification, economic threat, economic hardship, perceived discrimination, economic policy, Taiwan

Paper type: Research paper

Introduction

Consumer animosity across borders shows that an individual's consumption choice will often betray a negative attitude towards foreign products and a positive one towards domestic alternatives regardless of the quality of the products (Klein *et al.*, 1998; Shimp and Sharma, 1987). Such preference for home products has been described as 'home country bias' (Verlegh, 2007), 'domestic country bias' (Balabanis and Diamantopoulos, 2004) and 'animosity between nations' (Klein *et al.*, 1998). However, consumer animosity does not only occur between nations. A seminal study of regional animosity by Shimp *et al.* (2004) found that "remnants of the U.S. civil war" (1861-65) has continued to affect consumer behavior in the former Southern and Northern States. Specifically, consumers were willing to pay premium prices to obtain products from their own region, due mainly to their negative bias towards the regional "outgroup". This finding appears to suggest that regional animosity tends to generate a positive bias in ratings of the performance and achievements of the ingroup relative to outgroups. Subsequent studies have confirmed that the phenomenon influences the extent to which consumers prefer goods they feel are regional or national over those they perceive to be foreign (Funk *et al.*, 2010; Hinck, 2004; Hinck *et al.*, 2004; Huang *et al.*, 2010a; Josiassen, 2011; Lwin *et al.*, 2010; Ouellet, 2007; Shoham *et al.*, 2006; Urbonavicius *et al.*, 2010).

Over the past decade, much attention has been paid by commercial and academic commentators and researchers to the "localness" of a given product, and there has been considerable debate about the extent to which that characteristic will make it more acceptable to

consumers in a domestic market (e.g. Batra *et al.*, 2000; Choi and Bell, 2011; Fernández-Ferrína and Bande-Vilel, 2013; Huang *et al.*, 2008; Kipnis *et al.*, 2012; Papadopoulos and Heslop, 2002; Shimp *et al.*, 2004; Urbonavicius *et al.*, 2010; Van Ittersum and Wong, 2010; Zhou *et al.*, 2010). A number of academic studies have concluded that an individual's consumption choices will often harbor a bias against foreign products and in favor of domestic alternatives (Papadopoulos *et al.* 1990; Shimp and Sharma 1987; Klein *et al.*, 1998), which has been described as “home country bias” (Verlegh 2007) or “domestic country bias” (Balabanis and Diamantopoulos 2004, Evanschitzky *et al.*, 2008). However, the contexts for such research is almost exclusively across borders and often refers to wars as the key attributor of consumer animosity (Klein *et al.*, 1998; Shimp *et al.*, 2004). Important differences occur in explaining why consumers harbor animosity towards a specific regional outgroup within the national borders, after all this identified outgroup is part of the in-group nationally. For example, the north–south divide in Taiwan is not caused by wars but derived from more than a century of shifts in the economic and political balance of power. As a result, this paper challenges existing research and suggests that political and military conflicts alone offer limited explanation as to why consumers react resentfully towards another region within the same country.

Our study is a response to calls by Shimp *et al.* (2004) and Shoham *et al.* (2006) for research in other regions of the world, to increase the relevance of the available body of knowledge for international marketing planners, strategists and managers, and thereby to enhance their ability to estimate the degree of hostility to their region and its effect on the consumption choices of consumers around the world. The research proposes that consumer animosity within borders could be sufficiently explained by regional identification and perceived discrimination, as inspired by social identity theory (e.g. Tajfel, 1982; Tajfel and Turner, 1986) and realistic conflict

theory (Sherif, 1996; Sherif and Sherif, 1979). Together, regional identification and perceived discrimination mediate the influence of other social and economic attributes of consumer animosity, such as economic threat, economic hardship, and dissatisfaction with government economic policy on consumer animosity. Also, by comparing consumer perceptions from both regions, the findings reveal a comprehensive picture regarding the impact of consumer animosity within the border of the same nation.

Conceptual framework and hypothesis development

Consumer animosity at the regional level

Initial country of origin research explored the regional animosity as established by consumer animosity, which was defined by Klein *et al.* (1998: p. 90) as ‘remnants of antipathy related to previous or ongoing military, political, or economic events’ is often discussed in relation to consumer ethnocentrism. However, whilst consumer ethnocentrism emphasizes the beliefs held by consumers about the appropriateness, and morality of purchasing foreign-made products (Shimp and Sharma, 1987), consumer animosity is more outward-directed and less abstract than consumer ethnocentrism and conveys the implication of resultant action for consumer behavior, as its relationship to ‘animate’ and ‘animus’ suggests. The feelings of animosity towards a particular ‘outgroup’ entity, such as a country, an ethnic group or a geographic region, affect an individual’s willingness to purchase products perceived to be originated from such an outgroup, rather than to evaluate the products on their merits (Klein *et al.*, 1998).

Traditionally consumer animosity is studied between nations in explaining why consumers would favor domestic products more than foreign alternatives regardless of product quality. For example, Chinese consumers boycott Japanese products as a result of the Nanjing Massacre in the

Second World War (Klein *et al.*, 1998). Studies by Hinck (2004), Hinck *et al.* (2004), Shimp *et al.* (2004) and Shoham *et al.* (2006) were the only exceptions in exploring the concept of animosity at the regional level within national borders. However, despite shifting their emphasis to study consumer animosity at the regional level, these studies still focus on how political and military tensions explain consumer animosity towards a specific outgroup in their referring to the US civil war (Shimp *et al.*, 2004), the civil conflict in Israel (Shoham *et al.*, 2006), and the domestic conflicts between former Western and Eastern Germany caused by the Cold War (Hinck, 2004; Hinck *et al.*, 2004). Acknowledging the gap in existing studies, where animosity is mostly explained in relation to historical wars, hence offering little help in illuminating other causes of such consumer animosity within borders, this paper proposes to examine consumer animosity at the regional level by investigating the attributes and consequence of consumer animosity in Taiwan.

According to Shimp *et al.* (2004: p. 75), instead of holding animosity towards another country, regional animosity represents ‘individuals’ preference for their own (in-group) geographic region and incorporates elements of animosity toward people from an outgroup region’. The consequence of regional animosity often includes consumer product choice and premium price. Studies suggest that when consumers harbor regional animosity towards the other region(s), they tend to prefer products from their home region and are more willing to pay a price premium for such preference (Shimp *et al.*, 2004; Shoham *et al.*, 2006).

The notion of regional animosity implies that individuals will have a preference for the media originating in their own region, among its other products, which will generally be associated with a negative attitude to other regional media. Several international studies during the past decade have found evidence that consumer animosity focusing on countries or regions can significantly

reduce the sales of the outgroup nation's products and services, which might include media, to the ingroup (Funk et al., 2010; Leong et al., 2008; Russell and Russell 2009; Shoham et al., 2006). However, very few studies that investigate the effect of regional animosity, specifically, on preference for products, services or media have been published. For example, Van Ittersum et al. (2003) have confirmed the model that consumers' sense of belonging to the region positively influences the accessibility of regional-product information. Nevertheless, limited research attention is paid to what degree regional animosity would influence consumers' media choice. Whilst media play a central role in constructing and cementing the identity and culture of communities and their publics (Lee and Tse, 1994), they are more likely to associate themselves with media originated and broadcasted from the home region. In comparison, home region media may communicate in languages tailored to the preference of the local audience.

Therefore this research has proposed that when consumers hold animosity towards the other region(s), they are more likely to choose home region media over media originated from other region(s). Thus,

H₁: Animosity towards the other region has a significant effect on home region media preference.

Regional identification

Social identity theory explains that individuals aiming to develop and enhance their self-image and self-esteem by a process of identification generally classify themselves and others into ingroup(s) and outgroup(s) (Tajfel, 1982; Tajfel and Turner, 1986). Social categorization strengthens the attributes and characteristics of a particular identity, manifests and codifies the behavior appropriate to this identity, defines its societal value, and thereby constructs the ingroup/outgroup dichotomy (Tajfel, 1982). Individuals often compare their own ingroup with

relevant outgroup(s), and strive to maintain inter-group distinctiveness by favoring the former and discriminating against the latter (Verlegh, 2007).

Although social groupings can be established based on common demographical variables such as age, gender and race, regional identification shall also be considered as a significant element of an individual's self-identity (Shimp *et al.*, 2004). Regional identification is derived from the membership of a geographically-defined group, which favors one's own region and discriminates against others. Regional identification is reinforced in daily life by lifestyle attributes, regional values, tradition and cultural heritage, and nostalgia for the place in which one was born and raised, all of which strengthen the feeling of 'belonging' (Chaney, 1996; Skuras and Dimara, 2004; Van Ittersum *et al.*, 2003). A study by Fisher and Wakefield (1998) has found that an individual's group membership is the main basis for his or her own self-concept. Hence, when consumers associate themselves with a particular region, they are more likely to evaluate their own region in a positive light and assess the other region(s) in a harsher and more negative manner.

As a result, regional identification is a major source of interregional conflict, sometimes coinciding with cultural, ethnic or language divisions (Schlee, 2004). Realistic conflict theory explains that as in-group identification increases, members place more emphasis on the internalization and expression of normative attitudes, which can lead to heightened intergroup animosity (Sherif and Sherif, 1979). This explains why high levels of regional identification could positively influence individuals' preferences towards their home regions as well as increase their animosity towards the others from different region(s). H₂ draws on the findings of the reviewed studies.

H₂: Home region identification has a significant effect on animosity towards the other region.

Perceived discrimination

Discrimination occurs when one has been stereotyped by others unfavorably in order to preserve their own interests (Gibson, 2002). Whilst stereotypes become the norm or eventually be manifested as prejudice, they can result in a high degree of intergroup social distance, distrust and conflict. Perceived discrimination describes an individual's subjective perception of a society's unfair treatment, such as the exclusion from certain social rights and privileges (Shrake and Rhee, 2004). Individuals who believe they are being discriminated against are likely to experience feelings of anger, inadequacy and personal conflict (Phinney, 1990). Previous research studying minority consumers suggests that the perception and experience of discrimination undermine an individual's group identification and pride in possessing the group membership (Krieger, 2003). This could potentially result in feelings of social isolation, inferiority, and inadequacy and contribute to their developing a negative and rebellious attitude, which rejects the values proposed by the directing group, accompanied by an oppositional identity (Shrake and Rhee, 2004).

Whilst little research attention has examined the impact of perceived discrimination on consumer animosity, this research proposes to address this issue and notices that due to their lower political and economic status, Southern Taiwanese have precipitated a slow shift towards increasing consciousness of distinctly perceived discrimination (Clark, 2002; Lin *et al.*, 2007). As a reaction of feeling discriminated and treated unfairly within one's own country like 'second-class citizens in their own country' (McAnear, 2007: p. 77), consumers in Southern Taiwan are ever keener in strengthening their in-group identity and in developing heightened animosity against the Northerners, as the perceived outgroup beneficiary. In a study of attitudes in the

former East and West Germany following the fall of the Berlin Wall, Hinck (2004) found that the main reason for feelings of animosity in the East was distressing experiences after the event, including the comparative shortage of hard currency, the sense of being ignored during the planning of reunification, and the belief that the higher unemployment rate in the East was a direct result of the West German government's policies. Many former East Germans felt that they were being treated like "second-class citizens in their own country" (McAneer, 2007; Münter and Sturm, 2002), and unsurprisingly harbored feelings of animosity toward their fellow Germans in the west. On the basis of the existing findings, hypothesis H₃ is proposed.

H₃: Perceived discrimination in the home region has a significant effect on animosity towards the other region.

Economic threat

Economic threat is focused on subjective perceptions and feelings about the effect of outgroup threats on the in-group's economic security and well-being, such as the 'stealing' of jobs (Riek *et al.*, 2006). Realistic conflict theory suggests when individuals' in-group interests or resources are under attack, they may develop a stronger in-group identity (Sherif, 1966). This explains why typically foreign economic migrants are perceived as outgroup members, whilst domestic economic migrants are often regarded as part of the in-group. Nevertheless, during economic downturn or recessions where national resource is limited, labor from other regions may also be perceived as potential threats contributing to the increasing local job competition (Esses *et al.*, 1998). This sense of threat may promote local residents to strengthen their in-group identification, emphasizing on feelings of membership, common identity, solidarity and cohesiveness in order to better differentiate themselves from the outgroup and to protect their own local interest (Sharma

et al., 1995; Thomas and Chrobot-Mason, 2004). Based upon the discussion, the study includes H₄.

H₄: Perceived economic threat from the other region has a significant effect on regional identification within the home region.

Economic hardship

Barrera *et al.* (2001) define economic hardship as a subjective indicator that complements objective measures of poverty. Economic hardship relates to an individual's perceived inability to obtain the necessities for living, to meet financial obligations, to reduce expenses or increase income, and to conceive of the possibility of a brighter financial outlook. Individuals perceiving themselves to be suffering economic hardship are highly vulnerable to economic loss as a result of competition from the outgroup(s), since they are at greater risk of unstable employment, unsafe working environments, and general ill health (Sherif and Sherif, 1979).

Individuals from the poorer economic regions will find it harder to adapt to the changes in the environment (Huang *et al.*, 2010b). Whilst believing that their financial resources have been taken away by outsiders, in-group members further reinforce the fear of a bleak economic future, together with reduced well-being and poor life satisfaction (Shek, 2003). The ultimate result will be hostility towards the outgroup regions and a consequent heightened awareness of their own cohesive group identity and solidarity (Sidanius and Pratto, 1999). Corcoran (2002) suggests that a specific memory of economic hardship is a major factor in the genesis of regional identification. The feelings of regional or national identification increase as the economic hardship intensifies (Shoham *et al.*, 2006). Hence,

H₅: Perceived economic hardship has a significant effect on home region identification.

The sense of economic disadvantage could also become a cause of perceived discrimination. Individuals of economic disadvantages are more likely to be treated unfairly by others, given the stereotyping explanations of individuals' economic hardship are often related to insufficient individual effort, laziness, lower morale, and their lack of ability and talents (Kreidl, 2000). Such stereotypes are not necessarily supported and cannot really reflect the real cause of their economic hardship; however, they have often caused economically disadvantaged individuals to feel discriminated unfairly and to find it harder in obtaining societal sympathy, understanding and support (Sherif and Sherif, 1979).

Unfortunately, the difficulties in accessing the requisite resources that an economically disadvantaged regional group experiences may further result in greater perceptions of discrimination and prejudices at the hands of an outgroup (Sherif and Sherif, 1979). For instance, Clark (2002) explains that in Taiwan the average annual household income in the North is approximately one and a quarter times higher than in the South, wherein fewer employment opportunities and lower levels of economic development exist. This economic hardship has result in a high level of perception of discrimination among southerners even after their relocation to the North (Clark, 2002). Based upon the discussion, this study includes hypothesis H₆.

H₆: Perceived economic hardship in the home region has a significant effect on perceived discrimination.

Dissatisfaction with government economic policy

A government's economic and political policies that divide people within a society into groups can easily trigger intergroup animosity, especially when such policies are viewed as

discriminating in favor of one against another (Stewart, 2000). People often prefer policies they believe will advance their own interests or positively affect the well-being of the social group with which they most identify (Bobo and Kluegel, 1993). Hence, when a government develops its economic policy to favor one region, residents of this region would be more likely to support the new policy for their likely gains than residents of other regions (Sears and Funk, 1999). On the other hand, residents of the other region(s) could be less satisfied with such policy, as they may relate the gains of this region to the loss of their own region(s) (Sidanius and Pratto, 1999).

Realistic conflict theory shows individuals are likely to perceive a higher level of discrimination when they perceive a threat to their in-group's interests and survival (Sherif and Sherif, 1979). In other words, groups in competition for scarce resources therefore learn to consider outgroups as potential rivals and develop hostile attitudes towards them (Esses *et al.*, 2001). Hence, when a government develops an economic policy that favors the opposite region, individuals are likely to experience negative emotions such as anger and dissatisfaction, followed by the loss of self-esteem as if they have been discriminated. Thus,

H₇: Dissatisfaction with government economic policy has a significant effect on perceived discrimination.

FIGURE 1 HERE

To sum up, the current study reveals that war and military tensions along cannot be employed to explain consumer animosity within national borders. Instead, this study hypothesizes that regional identification and perceived discrimination mediate the impact of economic threat, hardship and government economic policy on regional animosity; collectively, regional identification, perceived discrimination, economic threat, economic hardship and dissatisfaction

with government policy also act together to represent a sufficient condition for creating high consumer animosity within borders.

Methods

Choice of country for the study

The choice of Taiwan as the locus of the study is appropriate, given its long and difficult history of rule by the Kuomintang (or Nationalist Party) government since 1946 and its experience of more than a century of shifts in the economic and political balance of power (Edmonds, 2001; Howe, 2001). The context of the research is thus comparable with other studies of the effects on consumer choices of civil conflict in Israel by Shoham *et al.* (2006), of attitudes to products between West and East Germany by Hinck (2004) and Hinck *et al.* (2004), and of attitudes to products in the United States between the North and the South by Shimp *et al.* (2004). It is intuitively reasonable to suppose that similar differences will exist in other parts of the world. Taiwan is well known in Asia, anecdotally, for the north-south divide that reflects the greater prosperity of the cities in the northern part of that island country.

The potential for regional animosity in Taiwan is clear from the thumbnail description of the underlying tensions stated earlier, but a full appreciation of the rationale for its selection and of the chosen research methodology demands a more complete knowledge of the dynamics of the economic and sociological relationships between its northern and southern regions over time. During the past decade, consumer animosity has become an issue for many firms in Taiwan (Fong *et al.*, 2013; Huang *et al.*, 2010b), when trying to sell to different regions within the national borders due to its North-South divide (Howe, 2001). For instance, estate agents originating from Southern Taiwan often struggle to tap into the Northern Taiwan market and are

regarded as “second-tier” brands by Northern consumers despite their offering of superior and friendly service (Chuang and Chen, 2013). In higher education, many Southern universities also face severe difficulty in recruiting students from Northern Taiwan despite their academic excellence and good ranking positions (Lin, 2008).

Samples and procedure

Off to the coast of mainland China, with a population of around 23 million and a high GDP (PPP) of \$38,500, Taiwan is chosen as the research context for its north-south divide. Southern Taiwan was historically firstly developed until being ceded to Japan in 1895, the balance of political and economic power has started to shift from the south to the north. This shift of power was further enhanced when the Kuomintang government established a high-technology export zone in Northern Taiwan in 1980, which attracts many R&D-based, high-tech, high value-added businesses to relocate, together with large inflows of population into Northern Taiwan, where cities experience greater urbanization in contrast to those in the South (Howe, 2001).

In the past decade, annual average household income in the North has increased from the equivalent of US\$ 39,500 to US\$ 41,690. In comparison, the increase in the South was relatively small and less significant (from US\$ 30,750 to US\$ 31,840), contributing to a larger economic gap between both regions. This economic advancement in the North has led to political resentment and ill-feelings among the citizens in the South (Tai, 2006). To counterbalance this movement, Southern Taiwanese gave their support to Chen Shui-bian during the 2000 presidential election in the hope that as a Southerner himself, Chen would allow their voice to be heard in government. During his 8-year presidency, Chen has attempted to reverse this distribution of national economic resource to Southern Taiwan. Whilst this policy change may

have pleased the Southerners, this has caused feelings of injustice by the Northerners and subsequently leads to greater north-south divide (Mattlin, 2004) and consumer animosity within the borders of Taiwan.

The research instrument was initially developed in English before being translated into Chinese and then back translated to verify its content. Seven-point Likert scales anchored from 1 = strongly disagree, to 7 = strongly agree, were used to test the 25 items. A pilot test of the questionnaire was carried out by telephoning 50 consumers from each region, and by conducting a series of preliminary semi-structured face-to-face interviews with consumers in both regions. The feedback strongly suggested that the eventual respondents would be reluctant to spend the necessary time on the telephone if the questions remained as numerous. The number was therefore reduced, in order to increase willingness to participate in the study. The pilot interviews furthermore explored respondents' understanding and beliefs of every question, their opinions about the questions asked, and any issues raised by the range of questions asked or the response options offered. Valuable feedback was received and the questionnaire duly modified before the main interview. Some of the wordings were also revised for better understanding and clarity.

A university-based market research company carried out computer-assisted telephone interviewing (CATI) from six to eight o'clock in the evening during May and June 2009. Quota sampling specifies that interviews were conducted with consumers aged between 20 and 70 years old, with an equal representation of males and females in both samples. Within the two sampling locations of Northern and Southern Taiwan, telephone numbers were randomly selected from the residential pages of the current directory. The samples were stratified to be representative of the seven main counties in the North and the eight in the South. The geographical samples comprised successful interviews with 206 (33 percent response rate) in the North and 201 (37 percent

response rate) in the South. To control for potential sampling bias, the overall profile of the sample was compared with government population statistics (DGBAS, 2008). Chi-squared testing showed no significant difference between the two sets (NTW: $\chi^2 = 8.84_{\text{area}}$, $df = 6$, $p > 0.05$; STW: $\chi^2 = 9.85_{\text{area}}$, $df = 7$, $p > 0.05$). The research sample was, therefore acceptably representative of the target population. Table I shows majority of respondents has lived in their local regions for more than ten years, hence are familiar with their locality.

TABLE I HERE

Scales and measures

The operationalization of *regional media preference* is adapted from the geographic choice scale developed and validated by Shimp *et al.* (2004) to measure if respondents favor media outlets (newspapers radio stations and television stations) based in their home region over those based in the other regions. *Regional animosity* is adapted from Shimp *et al.* (2004) with a six-item scale measuring respondents' perceptions and actions against people from the other region. Perception measures if people see the others as foreign, dangerous, speaking with an irritating accent, and lacking of respect. Action measures individuals' avoidance and if one who likes the others should be treated as a traitor.

Regional identification is an adaptation from Verlegh's (2007) scale to measure the importance of such association, the pride of being associated and the degree to which others' praise to the region is felt as a personal compliment. The measurement of *perceived discrimination* adapted from Krahe *et al.* (2005) examines the actual discriminative experience of individuals, including the feeling of being treated unfairly in daily life, by the government, and unfair distribution of national resources.

The measurement of *economic threat* is adapted from the work of Sharma *et al.* (1995) for measuring respondents' personal perceptions of the economic threat. These include the cause of recession, income reduction, and loss of job security. The operationalization of *economic hardship* is adapted from Barrera *et al.* (2001) to measure families' standard of living reduction, difficulties in paying bills, lack of money for clothing and the need for government funding support. The measure of *dissatisfaction with government economic policy* is adapted from Bobo and Kluegel (1993) to measure respondents' dissatisfaction with government's economic favoritism towards the opposite region over the past half-century. Table II presents the scale items together with factor loadings for all constructs.

TABLE II HERE

Analysis and results

Measurement validation

Table III presents the reliability and validity statistics for all constructs. In every case the Cronbach's alpha coefficient is greater than 0.85, indicating acceptable internal consistency (Nunnally, 1978). Although stronger correlations are found only among some independent variables, the data are analyzed using structural equation modelling, following the advice of Kline (2005) as no multicollinearity occurs in the dataset. In addition, age, income, gender (1 = male; 2 = female) and education are included as control variables and no new hypothesis has been developed to investigate their direct effect on other variables. The results of correlation analysis between the control variables and other variables shows less than absolute value of 0.25 and indicate that there were no significant correlations between these control variables and the dependent variable. Hence, none of the control variables has an effect on the dependent variables

under investigation. Confirmatory factor analysis assesses the correspondence of all items with their respective latent variables in LISREL 8.72 (Jöreskog and Sörbom, 1993). Every construct in the measurement model is treated as a separate reflective measure.

TABLE III HERE

Given the use of self-reporting in the questionnaire answers, mono-method bias could have been a threat to validity. Four measurement models are therefore conducted, taking the single-method-factor approach advocated by Podsakoff *et al.* (2003) and Shoham *et al.* (2006). The first pair of models follows the constructed model; the second pair allows all items to load on a single factor. The first constructed models show lower chi-square values of 248.122_{NTW} [$d.f. = 234, \chi^2 / d.f. = 1.06$] and 241.757_{STW} [$d.f. = 224, \chi^2 / d.f. = 1.08$], and superior goodness-of-fit indices ($p = 0.25_{NTW}$ versus 0.20_{STW} ; NFI = 0.98, CFI = 1.00, and RMSEA = 0.02 in both regions). ‘NTW’ and ‘STW’ signify Northern and Southern Taiwan respectively here and below. In comparison, mono-method analysis results in chi-square values of 406.89_{NTW} [$d.f. = 302, \chi^2 / d.f. = 1.35$] and 477.53_{STW} [$d.f. = 292, \chi^2 / d.f. = 1.64$] and poorer fit indices: $p = 0.00$, NFI = 0.97, and CFI = 0.99 for both regions; RMSEA = 0.04_{NTW} and 0.06_{STW}. Therefore, the mono-method model is rejected in favor of the constructed model, and the conclusion drawn that common-method bias is considered not a threat to the findings of the study.

Convergent validity is confirmed in every case by the ranges of all factor loadings and the measurement errors, which are both acceptable and significant at alpha = 0.05. Content validity has already been established by pilot-testing the questionnaire in interviews with potential respondents and academic and practitioner experts. Following the recommendation of Churchill (1979), convergent and discriminant validities are also tested for the four antecedent constructs. The former is assessed by examining the composite reliability of the measures, ranging from 0.82

to 0.95, much higher than the recommended minimum value of 0.70 (Hair *et al.*, 2006). Discriminant validity is assessed by measuring the AVE statistic (Fornell and Larcker, 1981), which varies between 0.61 and 0.85, higher in every case than the largest squared pairwise correlation of 0.49 between each construct (see Table III). Table IV presents the results of structural equation modelling of both the independent and dependent constructs. The statistics it displays – χ^2 , CFI, NFI and RMSEA – offer convincing evidence that the overall fit of the proposed model is satisfactory.

TABLE IV HERE

Hypotheses testing

The first hypothesis proposed in the conceptual model postulates that regional animosity positively influences regional media preference and suggests that when one perceives a higher level of regional animosity, one is more likely to prefer home region media than those in the foreign region. The findings demonstrate that the hypothesized impact of regional animosity on home media preference is significant in both Northern and Southern Taiwan ($H_{1NTW}: \beta = 0.31^*$; $H_{1STW}: \beta = 0.68^*$) and thus hypothesis H_1 is substantiated. Hypotheses H_2 and H_3 suggest that home region identification and perceived discrimination positively influence regional animosity. The positive effect of home region identification ($H_{2NTW}: \beta = 0.38^*$; $H_{2STW}: \beta = 0.23^*$) and discrimination ($H_{3NTW}: \beta = 0.53^*$; $H_{3STW}: \beta = 0.57^*$) on regional animosity proves significant, finding support for hypotheses H_2 and H_3 . The fourth hypothesis postulates that economic threat positively influences home region identification and suggests that when one perceives a higher level of economic threat, one is more likely to identify oneself with one's home region. The findings show that the hypothesized impact of economic threat on home region identification is

significant in both Northern ($H_{4NTW}: \beta = 0.55^*$) and Southern Taiwan ($H_{4STW}: \beta = 0.65^*$). Hence hypothesis H_4 is substantiated.

Hypotheses H_5 and H_6 suggest a positive effect of perceived economic hardship on home region identification and perceived discrimination. The hypothesized impact of economic hardship on home region identification tested significant ($H_{5NTW}: \beta = 0.24^*$; $H_{5STW}: \beta = 0.40^*$), suggesting that when Taiwanese perceive higher degrees of economic hardship, they are likely to more strongly identify themselves with their home region. As a result, hypothesis H_5 is supported. However, the findings only partially support hypothesis H_6 ($H_{6NTW}: \beta = 0.02$; $H_{6STW}: \beta = 0.62^*$). In fact, the results suggest that perceived economic hardship does not influence Northern Taiwanese perceived discrimination, but does influence Southern Taiwanese feeling of discrimination. Maybe this could be explained by the fact that the average household income in Northern Taiwan (US\$ 41,690) is much higher than that in Southern Taiwan (US\$ 31,840). This average income difference is likely to cause higher levels of perceived economic hardship among Southern Taiwanese, hence strengthen the positive relationship between perceived economic hardship to perceived discrimination, with support for H_{6STW} , but not H_{6NTW} .

Finally, in spite of seemingly different beta values ($H_{7NTW}: \beta = 0.54^*$; $H_{7STW}: \beta = 0.16^*$), hypothesis H_7 stating a positive relationship between dissatisfaction with government economic policy on perceived discrimination proved to be significant. The result indicates that the more satisfied respondents are with governmental economic policy, the less likely they would perceive higher levels of discrimination. One possible explanation for Northern Taiwanese having a larger beta value is that they are more sensitive to the movement of perceived economic loss due to unfair government economic policy than their Southern counterparts. In other words, Northern

Taiwanese who have enjoyed a higher average income are more likely to perceive a stronger discrimination due to unfair government economic policy than their Southern counterparts.

Test of mediating effects

Following existing practice (Baron and Kenny, 1986), the effect of mediation is confirmed, when (1) the exogenous variable affects the mediating variable, (2) the mediating variable influences the endogenous variable, and (3) the relationship between exogenous and endogenous variables weakens when the mediating variable is controlled. The complete mediation occurs when the mediator is included and no effect between exogenous and endogenous variables has been detected. When the effect between exogenous and endogenous variables decreases by a nontrivial amount, but not to zero, partial mediation is demonstrated.

Overall, the model fits the data well, and all lambdas are large and significant ($p < .05$) in two regions, for example NFI and CFI are larger than 0.90 for both NTW and STW. All the mediation conditions are met, apart from wherein perceived discrimination acts as mediator between economic hardship and animosity in Northern Taiwan (see Table V). This could be explained by the fact that perceived economic hardship does not significantly influence perceived discrimination in Northern Taiwan. The results also show complete mediation in the mediating role of animosity between regional identification and home media preference in Northern Taiwan. This suggests that no effect between regional identification and home region media preference will be detected when regional animosity is not used as mediator.

TABLE V HERE

Test of fuzzy set qualitative comparative analysis (fsQCA)

The current study also proposes that collectively regional identification, perceived discrimination, economic threat, economic hardship and dissatisfaction with government economy policy act together to represent a sufficient condition for creating high consumer animosity within borders. To prove this, individuals with high regional animosity would be the key “output” variable (equivalent to the dependent variable in regression analysis), and regional identification, perceived discrimination, economic threat, economic hardship and dissatisfaction with government economy policy are the conditions as potential causes. A fuzzy-set qualitative comparative analysis (fsQCA) is conducted, based on the idea that causal relations are frequently better understood in terms of set-theoretic relations rather than correlations (Ragin, 2000; Woodside, 2013). Grounded in set theory, fsQCA allows for a detailed analysis of how causal conditions contribute to an outcome in question (Chang *et al.*, 2013). FsQCA methods are tools for making inferences about necessary and sufficient conditions for an outcome based on Boolean algebra (Ragin, 2000). The method overcomes the limitations of Boolean sets and uses dichotomous presence or absence of a variable to describe situations where cases display different degrees of property. To conduct the analysis, empirical indicators are re-scored between 0 and 1 according to the degree of membership in the conceptual category. A membership score of 1 represents a case that is ‘fully in’ the category and 0 is ‘fully out.’ 0.5 represents the transition point where a case is ‘neither in, nor out.’ In this paper, the respondent with the lowest value on each variable was assigned a score of zero and the respondent with the highest value was assigned a score of one. All other respondents received intermediate values (Jackson, 2005).

To be cautious about the analysis, this study further conducts fsQCA for all ‘causal recipes’ of the five conditions and for different groups of samples (Northern Taiwanese, Southern Taiwanese

and all Taiwanese). Table VI displays the results of these analyses and shows that the conjunction of the five conditions (threat, hardship, policy, identification, and discrimination) produces the highest consistency, whether for Northern, Southern, or all Taiwanese. The consistency of this set relation is 0.903 for Northern Taiwanese, 0.905 for Southern Taiwanese, and 0.919 for all Taiwanese. In all three samples, the consistency reaches 90 percent and above, providing evidence for the cause conditions to be sufficient for the output variable. To check the empirical importance of this sufficient relation, it is necessary to examine the coverage of the set relation. The coverage reaches 0.441 for Northern Taiwanese, 0.544 for Southern Taiwanese, and 0.474 for all Taiwanese, meaning the causal combination of individuals who have dissatisfied economic policy, high economic threat, economic hardship, regional identification and perceived discrimination covers at least 40 percent of the instances of hostile individuals with regional animosity in all samples.

However, Table VI also shows three conditions (economic threat, hardship, and policy) are not as sufficient as the two conditions (identification and discrimination) together in supporting high regional animosity. A separate analysis of three conditions confirms this view. Three conditions is not the best predictor of regional animosity for Northern Taiwanese (consistency=0.772; coverage=0.588), Southern Taiwanese (consistency=0.849; coverage=0.658) and all Taiwanese (consistency=0.878; coverage=0.534). The results show without the two conditions of regional identification and perceived discrimination, the conjunction of the five conditions cannot produce the highest consistency amongst the three samples. This further strengthens the expectations of this study, leaving no doubt about their importance of regional identification and perceived discrimination as mediators.

TABLE VI HERE

Discussions and implications

Existing literature on consumer animosity tends to focus at the country level (Klein *et al.*, 1998). Whilst these studies show that consumers may be more willing to purchase locally produced products due to their animosity against the outgroup country and bias towards their home country, more research attention is required to study consumer animosity at the regional level within the borders of the same country in explaining why many local firms are struggling to sell to consumers across regions within national borders (Shimp *et al.*, 2004; Shoham *et al.*, 2006). Traditionally consumer animosity has been studied using political and military tensions in relation to war. This study challenges this existing understanding by proposing that consumer animosity in Taiwan should be explained through regional identification and perceived discrimination, which together mediate the impact of economic threat, economic hardship and dissatisfaction with government economy policy. With data collected from both Northern and Southern regions of Taiwan, the findings show that out of the seven proposed hypotheses, six are fully supported. The only one that is not fully supported is the relationship between economic hardship and perceived discrimination in Northern Taiwan. The mediating effect of regional animosity, regional identification and perceived discrimination are all partially supported. In the Northern Taiwan sample, animosity against the Southern region even shows a complete mediating effect from regional identification to home media preference.

Another interesting finding of the research is that Social Identity Theory may have greater explanatory power over the relationship between home region bias and media preference than ‘geographical proximity’ perspective (Shimp *et al.*, 2004). According to the Geographical Proximity perspective, consumers may possess “an affinity for products and services from their

home region not because they necessarily preferred items from their ingroup region but because they were more confident in selecting items that could be obtained from firms that were geographically more proximate (Shimp *et al.*, 2004, p.88).” In the context of this study, Taiwan is a relatively small island of roughly 45,000 km² in size and with a population of almost 23 million. Both Northern and Southern Taiwanese inhabitants have access to media based both in northern and southern parts of Taiwan with almost no barriers (e.g., time zone or geographic barriers). Our research findings indicate that consumers in Taiwan through their subjective perception have displayed a positive preference for the media based in their own region, in accordance with the Social Identity Theory. Future research can be conducted to examine, in more depth, the relationship between geographical proximity and media behavior.

Responding to call by Woodside (2013) for adopting an asymmetric thinking in data analysis for conjunctive statements (Ragin, 2008), this study reports the results from both SEM as well as simple algorithms to explain how together regional identification, perceived discrimination, economic threat, economic hardship and dissatisfaction with government economy policy sufficiently predict high level of consumer animosity in Taiwan. Furthermore, the findings show that regional animosity would influence individuals’ media choice, favoring local media than media originated from foreign regions.

Theoretical implications

In order to further enhance existing understanding of consumer animosity, this study makes the first attempt to discuss in a context where military and political tensions alone cannot explain why consumers would harbor animosity between one region and another within the same country due to social and economic reasons. Inspired by social identity theory and the realistic conflict

theory, the framework proposed in this study was developed to explain consumer animosity within borders by piecing together economic causes, including perceived economic threat, hardship, dissatisfaction with economic policy and social constructs such as regional identification and perceived discrimination to explain consumer animosity. Instead of focusing on wars (Hinck *et al.*, 2004; Shimp *et al.*, 2004; Shoham *et al.*, 2006), this study offers further explanation in studying consumer animosity. The findings shows that regional identification, perceived discrimination, economic threat, economic hardship and dissatisfaction with economic policy together provide near-perfect assurance for regional animosity, and reveal a more comprehensive view in understanding the economic causes of consumer animosity within borders through the mediating effect of regional identification and perceived discrimination.

Whilst none of the existing literature has discussed how perceived discrimination would affect animosity, this research expands existing debate on animosity by showing perceived discrimination act as one of the most significant key condition, together with regional identification in explaining regional animosity. The data reveals rising levels of perceived discrimination, as a result of financial stress and dissatisfaction with economic policy, fuels the growth of regional animosity against the foreign region. Thus it highlights that consumers who are particularly susceptible to financial stress and feelings of regional disadvantages are more likely to feel being stereotyped by others unfavorably against their own interests. In return, this leads consumers to develop regional animosity against the others within the same country.

Regional identification is a socio-psychological motive (Verlegh, 2007), an expression of self-identity derived from membership of a geographically-defined group. The findings show that home region identification is influenced by perceived economic threat and economic suffering, as a result of the other regions' advancement. This research supports existing literature (Esses *et al.*,

2001). However, instead of focusing on conflicts between foreign immigrants and local residents, our research shows that social identification could also explain consumer animosity at the regional level. The findings suggest that when consumers identify themselves strongly with their home region, they are more likely to evaluate the region in a positive light and to assess the opposite region in a harsher and more negative manner, which increases in the level of animosity against the outgroup region that ironically is part of the in-group nationally.

Furthermore, the findings show that higher levels of regional animosity towards the other region would lead to greater home region media preference. Such preference in turn reduces consumers' willingness in watching, reading and listening to media originating from the other region. The finding extends existing research (Klein *et al.*, 1998; Shimp *et al.*, 2004) by showing that as well as products and services, the feeling of animosity towards a particular outgroup entity could also increase consumers' willingness in choosing home region media rather than media originated from the outgroup.

Managerial implications

The research has several implications for practitioners such as marketing executives, brand managers, government policy makers and political party campaigners. First, as the findings confirm the influence of regional animosity on media preference, marketers should take this consumer insight into consideration when planning their marketing communication plan and media strategy, especially for targeting consumers segments based on region and locality. Instead of broadcasting or airing campaigns on national media, marketers could take advantage of such regional media to better reach the specified target audience. This will reduce unnecessary costs and allow marketers to better tailor their communication message to the selected audience.

Second, consumer animosity across regions presents marketers a paradox. Whilst animosity against foreign regions helps attract more local consumers in support of local shops and brands originated from the same region, highlighting locality may prevent them from successfully tapping into other regional markets or expanding their business at the national level. Hence, marketers need to develop clear positioning and targeting strategies prior to the development of their marketing mix. Marketers of local brands and shops targeting strictly at the regional market are encouraged to play up their 'local' identity to better differentiate from competitors, originated from other regions or targeting at the whole nation. The tactics include highlighting the local language(s), cultural heritage, ethnicity, political ideology, religious beliefs, etc. Such regional identification could appeal to local consumers in support of their regional stores, political parties, or even economy. On the other hand, products and brands targeted at the whole nation or even internationally need to be cautious in emphasizing geographic locality in their marketing mix. Instead they may want to consider accentuating other attributes and playing down the regional effect.

Third, this study also shows important implications for government policy makers, as findings suggest that consumer animosity within borders is contributed by regional identification and perceived discrimination caused by economic disparity among different regions. In order to enhance inter-region harmony, government policy makers need to design policy that promotes pan-region economy growth. Localized distribution of natural resources and unequal development of trade and industry can exacerbate the economic disparity among different regions of the same country and further increase the levels of animosity within borders. Population sub-groups in less affluent regions often complain about the extraction of their resources for the benefit of manufacturers and investors in the more affluent regions, while the latter object that

they are subsidizing the former. To reduce animosity within borders and enhance the societal stability, government could also consider encouraging further industry investments and business establishment in the less developed regions to boost their regional economy. By helping and increasing the business success of local SMEs, consumers are likely to feel more satisfied with government policy and reduce their level of perceived discrimination, hence reducing consumer animosity towards the other region(s).

Fourth, the research is also of use to political party campaigners for promoting one's own candidates and attacking the other competing parties especially during elections. Whilst the findings reveal that economic hardship, government policy and perceived discrimination could all contribute to higher levels of regional animosity, national party campaigners should be particularly cautious in designing and communicating their new economy policy, given the likelihood that such policy will work positively in one region but negatively in another, to the detriment of the overall campaign. Nevertheless, regional party campaigners should focus on communicating and explaining how their proposed new policy could help secure more resources for the particular region and improve its regional economy against other regions.

Limitations and future directions

While the study makes a significant contribution to the understanding of consumer animosity, some potential limitations shall also be noted. First, the sample size of 206 adults in North Taiwan and 201 in South Taiwan, plus the respective response rates of 33 percent and 37 percent, may not allow for strong generalizations. Second, considering the research questionnaire was administered over a two-month period, the research excludes the possibility of examining longitudinal variation in the relationships among different research constructs. In Taiwan,

regional animosity is often sensitized during the election periods. A longitudinal study would therefore be useful to examine the dynamic effects of regional animosity from the perspective of different regions over time. A further limitation of the study relates to the self-reported nature of the data. This includes the possibility of respondents providing socially desirable responses which may bias the findings in some way. This is despite the fact that the single-method-factor approach was conducted and that common-method bias was not found to be a threat to the findings of the study. The third limitation pertains to the stability of animosity and its effects on media preference. Animosity between Southern and Northern Taiwanese has been a fact of life for decades, particular during the pre-election rallies. The level of animosity typically intensifies during the presidential election campaigns in which the major political parties often use ideological identification to deepen the South-North divide (Mattlin, 2004). Since the next Taiwanese presidential election is not due until 2012, we are not able to test our animosity model as well as to identify direct measure of changes in the model constructs or the relationship between constructs. Finally, whilst this research framework has attempted to explore the causes of consumer animosity by focusing on the social and economic constructs, future research may want to consider the influence of other factors, such as a region's natural environment and its human factors (Skuras and Dimara, 2004; Van Ittersum *et al.*, 2003). The first invokes consumers' feelings for the local environment, whereas nostalgia is offered as an example of the second.

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Table I.

Sample Characteristics

Demographic variables	N (%)		Demographic variables	N (%)	
Age	Northern Taiwan	Southern Taiwan	Education	Northern Taiwan	Southern Taiwan
20 - 29	50 (24)	48 (24)	Primary	19 (9)	22 (11)
30 - 39	45 (22)	42 (21)	Secondary	40 (19)	51 (26)
40 - 49	47 (23)	42 (21)	College	45 (22)	49 (24)
50 and over	64 (31)	69 (34)	University	102 (50)	79 (39)
Gender			Duration of residence		
Male	104 (50)	103 (51)	< 10 years	28 (14)	27 (14)
Female	102 (50)	98 (49)	10-25 yrs	83 (40)	67 (33)
			>25 years	95 (46)	107 (53)

Table II.
Scale Items and Standardized Factor Loadings

Construct	Items*	Factor NTW	Loading STW
Regional media preference	I prefer to read newspapers based in (Northern) Taiwan.	.91	.75
	I prefer to listen to radio stations based in (Northern) Taiwan.	.95	.82
	I prefer to watch television stations based in (Northern) Taiwan.	.90	.85
Regional animosity	I avoid (Southern)ers whenever possible.	.88	.85
	(Southern)ers are as different as foreigners.	.83	.76
	(Southern)ers speak with an irritating accent.	.91	.81
	(Southern) transplants endanger the Northern way of life.	.85	.87
	(Northern)ers who like (Southern)ers are not true Northerners.	.86	.88
	(Southern)ers lack respect for the (Northern) heritage.	.85	.79
Regional identification	Being a (Northern) Taiwanese means a lot to me.	.94	.76
	I am proud to be a (Northern) Taiwanese.	.95	.84
	When a foreign person praises the (Northern) Taiwanese, it feels like a personal compliment.	.87	.73
Perceived discrimination	I have often felt we were being treated unfairly by government because I am a (Northern)er.	.90	.79
	I have often felt we were being treated unfairly by economic policy because I am a (Northern)er.	.89	.90
	In daily life, I have never felt that we have been treated unfairly because I am a (Northern)er. (r)	.92	.89
Economic threat	The present recession is due to excessive competition from people living in (Southern) Taiwan.	.76	.86
	Reduction in my income is due to excessive competition from people living in (Southern) Taiwan.	.86	.93
	The security of my job/business is heavily influenced by competition from people living in (Southern) Taiwan.	.75	.84
Economic hardship	There is going to be a reduction in the family's standard of living over the coming three months.	.85	.97
	I have difficulty in paying bills at the end of the month.	.82	.85
	I have not had enough money for clothing over the past three months.	.92	.87
	I am planning to apply for government support within the next three months.	.87	.88
Dissatisfaction with government economic policy	We have spent too much money on people living in (Southern) Taiwan during the past half-century.	.85	.81
	We have placed too much emphasis on economic development for the benefit of people living in (Southern) Taiwan during the past half-century.	.92	.79
	We have provided too much infrastructure for the people in (Southern) Taiwan during the past half-century.	.90	.83

Notes. (r) reversed scale; *These questions are designed to collect data with Northern Taiwanese respondents. For Southern Taiwanese respondents, the wording of questions specifying (Northern) and (Southern) was transposed accordingly.

Table III.

Descriptive Statistics

		Mean ^a	S.D.	α^b	CR ^c	AVE ^d	V1	V2	V3	V4	V5	V6	V7	V8	V9	V10
V1 Media Preference	NTW ^e	3.10	1.74	.94	.94	.84										
	STW ^f	3.76	1.82	.87	.85	.65										
V2 Animosity	NTW	2.92	1.71	.95	.95	.75	.30*									
	STW	3.30	1.71	.93	.93	.69	.60*									
V3 Identification	NTW	2.84	1.79	.94	.94	.85	.19*	.56*								
	STW	4.30	1.42	.89	.82	.61	.33*	.46*								
V4 Discrimination	NTW	3.18	1.82	.88	.90	.76	.20*	.67*	.37*							
	STW	3.33	1.77	.85	.90	.74	.45*	.61*	.56*							
V5 Threat	NTW	3.28	1.74	.86	.83	.63	.15*	.33*	.39*	.44*						
	STW	5.10	1.86	.86	.91	.77	.30*	.27*	.70*	.45*						
V6 Hardship	NTW	3.48	2.00	.92	.92	.75	.12	.31*	.46*	.34*	.29*					
	STW	3.74	1.88	.94	.94	.80	.48*	.63*	.48*	.59*	.24*					
V7 Policy	NTW	3.44	1.94	.94	.92	.79	.20*	.49*	.56*	.68*	.32*	.49*				
	STW	3.62	1.60	.92	.85	.66	.36*	.47*	.37*	.43*	.28*	.42*				
V8 Age ^g	NTW	2.55	1.28				-.01	-.06	-.06	.01	.06	.00	.01			
	STW	2.24	1.17				.09	.11	-.05	-.02	-.09	.03	.06			
V9 Income	NTW	3.16	1.29				-.11	-.04	-.01	.04	.08	-.20*	-.07	.01		
	STW	3.08	1.31				-.04	-.12	.01	-.04	.05	-.11	-.11	.03		
V10 Gender	NTW	1.59	.49				.06	.04	.04	-.02	.02	-.06	.07	-.06	-.10	
	STW	1.62	.49				.05	.13	.07	.07	-.02	.19*	.19*	-.09	-.11	
V11 Education	NTW	3.19	1.12				-.05	-.00	-.06	.02	-.03	-.14	-.01	-.22*	.08	.08
	STW	2.94	1.17				.05	-.10	-.06	.03	-.02	-.11	.04	-.19*	.08	.00

Notes. * = $p < .05$; ^aThe mean score difference between NTW and STW is significant on all variables except discrimination. T-values between Northern Taiwan and Southern Taiwan are compared. Additionally, the normality assumption using skewness and kurtosis indices was checked for each item using the following criteria: skewness index absolute value < 3 , kurtosis index absolute value < 10 (Kline, 2005). We find the skewness and kurtosis values were low ($< \pm 1.50$), hence assumption was met for this sample; ^bInternal Consistency Reliability: Cronbach's alpha coefficient; ^cComposite Reliability (Fornell & Larcker, 1981); ^dAverage Variance Extracted (Fornell & Larcker, 1981); ^eNTW: Northern Taiwan, N=206; ^fSTW: Northern Taiwan, N=201. ^gAge, income, gender and education do not have Alpha, CR and AVE values since they all are single indicators.

Table IV.

Structural Parameter Estimates and Goodness-of-Fit Indices

<i>Paths</i>	<i>Hypotheses</i>	<i>Estimates</i>		<i>S.E.</i>		<i>t-value</i>	
		NTW	STW	NTW	STW	NTW	STW
Animosity→Media	H ₁	.31*	.68*	.07	.08	4.31	8.03
Identification→Animosity	H ₂	.38*	.23*	.05	.10	7.40	2.96
Discrimination→Animosity	H ₃	.53*	.57*	.05	.09	7.91	7.20
Threat→Identification	H ₄	.55*	.65*	.20	.05	5.89	9.36
Hardship→Identification	H ₅	.24*	.40*	.07	.04	3.47	6.52
Hardship→Discrimination	H ₆	.02	.62*	.07	.05	0.31	8.65
Policy→Discrimination	H ₇	.54*	.16*	.08	.07	9.02	2.25
<i>Goodness-of-fit indices</i>							
<i>Northern Taiwan (N = 206)</i>							
χ^2 (218 d.f.) = 236.62	<i>p</i> -value = 0.18	RMSEA = 0.02		NFI = 0.98			
CFI = 0.99	Standardized RMR = 0.05	GFI = 0.92		AGFI = 0.87			
<i>Southern Taiwan (N = 201)</i>							
χ^2 (198 d.f.) = 226.39	<i>p</i> -value = 0.08	RMSEA = 0.03		NFI = 0.98			
CFI = 0.99	Standardized RMR = 0.08	GFI = 0.92		AGFI = 0.87			

Notes. All estimates are standardized; * significant $p < 0.05$.

Table V.

Summary Results of Mediating Effects

Relationships	Estimates		Mediation	
	NTW	STW	NTW	STW
Mediating role of animosity between discrimination → media preference				
Discrimination → animosity	.66*	.71*		
Animosity → media preference	.31*	.61*		
Discrimination → media preference	.25*	.52*	Partial	Partial
Discrimination → media preference (animosity is controlled)	.04	.17		
Mediating role of identification between threat → animosity				
Threat → identification	.46*	.78*		
Identification → animosity	.61*	.52*	Partial	Partial
Threat → animosity	.45*	.31*		
Threat → animosity (identification is controlled)	.18*	-.16		
Mediating role of identification between hardship → animosity				
Hardship → identification	.52*	.51*		
Identification → animosity	.62*	.52*	Partial	Partial
Hardship → animosity	.36*	.70*		
Hardship → animosity (identification is controlled)	.06	.63*		
Mediating role of discrimination between hardship → animosity				
Hardship → discrimination	.18	.68*		
Discrimination → animosity	.66*	.71*	None	Partial
Hardship → animosity	.36*	.70*		
Hardship → animosity (discrimination is controlled)	.11	.45*		
Mediating role of discrimination between policy → animosity				
Policy → discrimination	.76*	.56*		
Discrimination → animosity	.66*	.71*	Partial	Partial
Policy → animosity	.57*	.61*		
Policy → animosity (discrimination is controlled)	.09	.35*		
Mediating role of animosity between identification → media preference				
Identification → animosity	.61*	.52*		
Animosity → media preference	.31*	.61*		
Identification → media preference	.20*	.40*	Complete	Partial
Identification → media preference (animosity is controlled)	.00	.13		

Notes. All estimates are standardized; * significant $p < 0.05$.

Table VI.

Set membership findings using fsQCA for explaining regional animosity

Causal recipe	Northern Taiwanese		Southern Taiwanese		All Taiwanese	
	Consistency	Coverage	Consistency	Coverage	Consistency	Coverage
Three conditions	0.772	0.588	0.849	0.658	0.878	0.534
Two conditions	0.869	0.667	0.856	0.690	0.885	0.604
Five conditions	0.903	0.441	0.905	0.544	0.919	0.474

Note. Three conditions are combination of economic threat, economic hardship, and economic policy; two conditions are combination of regional identification and perceived discrimination; five conditions are combination of economic threat, economic hardship, economic policy, regional identification, and perceived discrimination.

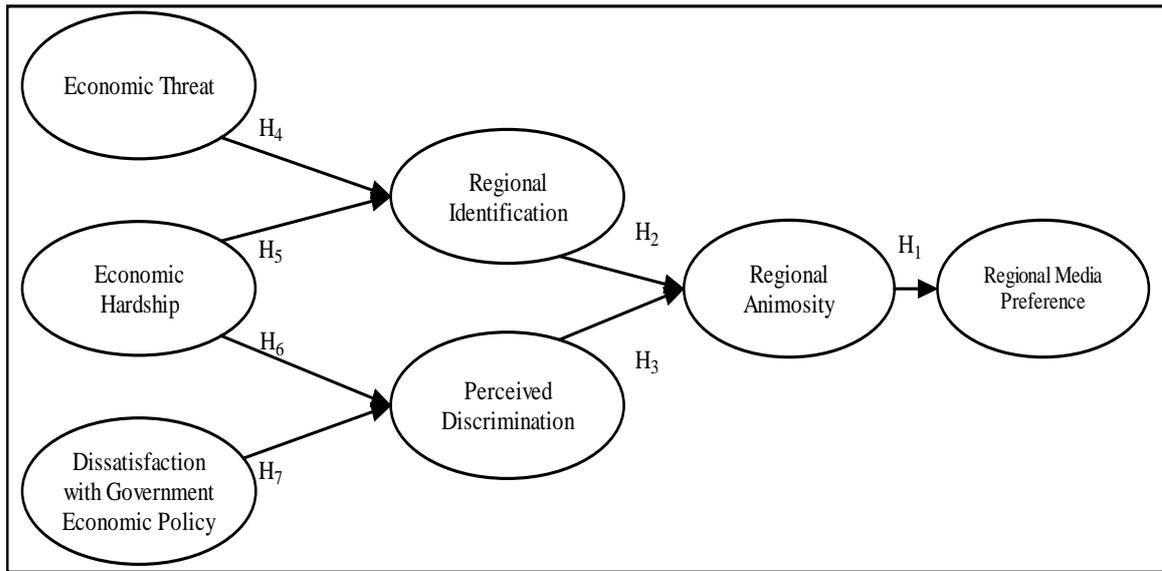


Figure 1.

Conceptual model of the determinants and consequence of regional animosity