CONCEPTUALISING CONSUMER ECONOMIC NATIONALISTIC TENDENCIES: 
SCALE DEVELOPMENT AND VALIDATION

Isaac Cheah, Curtin University
Ian Phau, Curtin University

ABSTRACT

Economic nationalism has been identified as a critical component of nationalistic sentiment, influencing cognitions, attitudes, evaluation and purchase intentions. While a distinction is made between economic nationalism and other measures of national and international orientation (i.e. consumer ethnocentrism), previous empirical studies explore the concept in a ‘unified’ form. This study bridges this gap by developing a scale specifically tailored to measure consumer economic nationalistic tendencies. Scale generation, purification, validation and confirmation are achieved through four studies.

Keywords: economic nationalism, nationalistic, sentiment, ownership, scale development
INTRODUCTION

This paper develops a scale to measure a respondent’s economic nationalistic tendencies toward country-specific marketing and advertising. The scale development is undertaken through four studies and analysis of 955 respondents, resulting in the ‘CENTScale’, which consists of ten items. Economic nationalism is described as an individual's ‘readiness to support nationalist economic policy’ (Baughn and Yaprak 1996), and is reflected in people’s expectations of their government, domestic firms, and the general public, in terms of restricting the activities of foreign firms (Akhter 2007). Economic nationalistic sentiment and appeals are implicated in a variety of consumer behavioural research contexts important to marketing and are considered to be a highly effective and persuasive marketing and advertising tactic (Bloom and Reve 1990; Baughn and Yaprak 1996; Fraser and Fraser 2002; Akhter, Kim and Hosseini 2003; Mort and Duncan 2003; Usunier, 2006).

The scale is produced in response to researchers who indicate the need for a complete conceptualization through the development of an appropriate psychometrically valid and reliable measure of economic nationalistic tendencies (Baughn and Yaprak 1996; Balabanis et al., 2001; Mort and Duncan 2003; Akhter, Kim and Hosseini 2003). Several reasons have called for a rigorous treatment of the concept in order to add to the body of literature. Although economic nationalism has been the subject of inquiry for a long time, the predominant focus of research in this area has been either descriptive or policy oriented (Macesich, 1985; Yavas, Yaprak and Ricken, 1980; Reich 1991; Feshbach, 1994; Murray and Meyers 1999). Furthermore, a review of the literature indicates that the term economic nationalism is often confused with other related but conceptually different terms such as nationalism, patriotism, ethnocentrism, and consumer ethnocentrism, thus compounding the ontological and epistemological problems (Burnell 1986; Sharma, Shimp and Shin 1995; Baughn and Yaprak 1996; Akhter 2007). Depending on the variant of economic nationalistic
sentiment experienced (either at an individual or national level), significant differences in a range of consumer behaviour responses are expected to occur. Despite this, empirical research to understanding these variations is severely lacking. This is in part due to researcher’s current inability to differentiate and measure successfully and easily the existence and level of each specific form of social/psychological (xenophobic) reaction independently of others. Although the limited availability of current scales are valid for measuring economic nationalism in a unified form or measuring responses related to economic nationalism, the ability to distinguish a respondent’s reaction to advertising into the specific type of economic nationalistic notion being experienced is absent.

The CENTScale will greatly assist in the many future studies those needed to understand the effects of economic nationalism on a range of responses. For example, practitioners are able to use economic nationalistic sentiment / appeals by providing a parsimonious and validated measure capable of indicating the level of economic nationalistic tendencies exhibited. This will also assist in improving predictions of a range of consumer responses as future studies will continue to develop knowledge pertaining to the response benefits and applicability of economic nationalistic tendencies within current marketing issues.

The following paper will discuss a brief background of economic nationalism, including clarification of the difference between the types of economic nationalistic tendencies, the implications for marketers and the need for the scale. Each of the four studies and the results pertaining to the development and validation of the scale are then discussed. Finally, the implications and limitations are examined.
PROBLEM DEVELOPMENT AND THEORETICAL UNDERPINNINGS

Economic nationalism

The rising pace of globalisation will continue to generate both positive (open trade and greater liberalisation) and negative (inequalities, prejudice and competition) sanctions for countries, economies, and businesses and ultimately the consumer. This is a current affair as well as a growing realisation amongst academics, professionals and the wider community. Although the benefits that economies accrue from open trade (such as freer movement of goods, services, capital and ideas) and greater liberalisation (such as faster integration of markets, newer technologies etc) are positive reasons for embracing this phenomena, ‘globalisation’ is now a topic shrouded with controversy and debate with different groups selecting different issues to criticize it (Akhter 2007). These issues vary to include the exploitation of workers and the environment and the widening inequalities and disparities in the world (such as increased unemployment and the undermining of social cohesion and sense of community) (Agiomirgianakis and Zervoyinanni 2001; Segal-Horn 2002).

The origins of economic nationalism can be traced back to the second half of the 19th century and is commonly defined in the marketing literature as (way, style, approach or behaviour) “discrimination (prejudice, unfairness, or bias) toward foreign objects (people, places, or things) in preference (general liking, positive attitude, or favourable affect) of one’s own nation carried on as a matter of policy (rule, procedure, guiding principle, or course of action)” (Macesich, 1985, p. 760). The motivations for economic nationalism are often linked to political, economic and security factors. For example, political attempts to arouse public support for campaigns such as boycotting foreign products, denying access to foreign suppliers, refusing to sell their business to foreign firms and erecting international trade and investment barriers (Johnson, 1992). Although some see it as an act of discrimination in
favour of one’ own nation carried on as a policy matter, others expect such tendencies to be manifested in the roles played by those with authority and power to curtail the involvement of foreign firms in the domestic economy (Akhter, Kim and Hosseini 2003, p.77). Thus, the idea of managing the activities of multinational corporations is a serious and important issue that finds a “receptive audience not only in less developed and developing economies, but also in the more advanced economies” (Akhter, 2007, p. 142).

In Europe’s north (from Finland to the Netherlands), for example, are taking a cue from the euro crisis to revive ideas of economic nationalism in the forthcoming political elections. Geert Wilder’s freedom party argued for greater protection whilst claiming that the “people of Europe were robbed of their sovereignty”… and that “decisions are now being taken behind closed doors by unelected bureaucrats”. In China, increasing economic nationalism has given rise to protectionism (and control) over the value of its currency, the yuan or RMB (renminbi – “people’s money”) and refusal to allow its currency to be traded, exchanged or freely bought on the global money market. A recent rally in Hong Kong about the right to take photos in front of luxury retailer Dolce & Gabbana created controversy and animosity amongst ‘Hong Kongers’ and Chinese mainlanders; when the company drew the line between local ‘Hong Kongers’ and mainland tourists stating that only foreign and mainland Chinese tourists were exceptions to the photo ban. Such heated relations between the two groups dated back to when the Chinese government took back control of Hong Kong in 1997. Furthermore, in the USA, the notorious Chrysler’s “Halftime in America” advertisement about the revival of the automotive industry wrapped in economic nationalism sparked a political overture to U.S. politicians in response to the recent automotive industry crisis and its consequent bailouts. These illustrations provide some perspective of the continued and widespread use of economic nationalism and nationalistic sentiment appeals in the marketplace.
Early research explored the role of economic nationalism in the country of origin (COO) area through a study analysing specific segment/profile of consumers and their reaction toward extrinsic cues (Mort and Duncan 2003) using realistic group conflict theory (Campbell, 1965; Sherif, 1966) and social identity theory (Tajfel 1981; Turner 1982). The significance of these social/psychological theories to economic nationalism lies in the adoption of an “us first” in the in-group versus out-group distinction relating to companies, products, jobs, and workers (Baughn and Yaparak 1996). This extended the economic nationalism to incorporate a “behavioural reaction” as a response to societal concerns regarding the role of foreign firms, issues of ownership as well as the control of domestic economic activities. To take an example used previously, during the recent financial crisis, store fronts in South Korea carried signs proclaiming that only 100% Korean” goods were sold inside (Slater, 1998). Many South Koreans continue to oppose foreign investors from setting up domestic factories and offices in South Korea (Lee 1998) and view foreign ownership of domestic businesses as an expression of colonial control (Hoon and Lee 1998). Therefore, economic nationalism not only encourages behaviours in support of domestic industries, firms and products, but also magnifies the distinction between domestic and foreign firms.

**The need for scales**

From a marketing perspective, economic nationalism is implicated in a variety of theoretical contexts and continuing strategic situations. On the basis of the existent literature, the concept lends itself to various academic disciplines which prove contentious in nature and subject to varied interpretations. While some have noted that the concept of economic nationalism has not been explored adequately (Burnell 1986), others have claimed that the conceptualisation of economic nationalism does not go beyond explicating the “economic practices and policy
measures that historically have come to be characterised as nationalist” (for example, Baughn and Yaprak, 1996, p. 760). While, this conceptual relevance was later extended through Akhter’s (2007) expectations model of economic nationalism, the applicability of the concept in current marketing issues have been limited. Literature also indicates that the term economic nationalism draws similar parallel with conceptually different terms such as nationalism, patriotism, ethnocentrism, and consumer ethnocentrism, often leading to misinterpretation.

In order for future researchers to comprehend the differences in the various bases of economic nationalistic reactions and sentiments, as well as to allow practitioners to measure the levels of specific economic nationalistic responses, the ability to measure each form independently from others is required. The current scales used in disciplines of sociological, the social science, politics and behavioural sciences are appropriate for measuring their intended reactions in their respective fields; for example, Baughn and Yaprak’s (1996) adapted economic nationalism scale, and Mort and Duncan (2003) three item measure of the concept. However, it is not known (to what extent) if these scales are applicable in the context of contemporary marketing and advertising. Furthermore, these existing measures are subjected to concerns regarding the scale development procedures, specifically in terms of its validity and generalizability within the literature (Mort and Duncan 2003; Akhter 2007). Therefore, the construction of a unique scale is needed as current scales to measure economic nationalism do not distinguish between the specific types of sentiment / response within the economic nationalism concept, and to a greater extend other related but conceptually different concepts, as previously discussed.
These implications suggest that a more “context-driven” or “product specific” measure of economic nationalism is required. This new scale will explore economic nationalistic tendencies with reference to similar attitudinal dispositions toward people and objects that can be identified as in-groups or out-groups. Moreover, these economic nationalistic predispositions will be develop to mirror either an individual or national context. This research begins to fill this gap by developing the Consumer Economic Nationalistic Tendencies Scale (CENTScale).

METHODS AND RESULTS

Four studies were undertaken to develop the scale. Each study is described in terms of purpose, method and analysis, and results. First the sample characteristics are clarified.

Samples

The scale was developed using student samples collected in a classroom setting in a large Australian university. A student sample was chosen not only for convenience, but because ‘. . . students can serve as surrogates in modelling attitude behaviour relationships, scale development and in cases where the relative ordering of attitude objects is the focal point of research’ (Yavas 1994, 41). Students have also been used in past studies on economic nationalism (Akhter, Kim and Hosseini 2003; Shimp, Sharma and Shin 1995; Akhter 2007) and in scale development procedures (e.g. Li, Edwards and Lee 2002; Miller, Hadjimarcou and Miciak 2000; Ohanian 1990). Student sampling is also proposed to be representative of general consumers (DelVecchio 2000) and economic nationalism is shown to affect people regardless of age or gender (Baughn and Yaprak, 1996; Mort and Duncan 2003). Finally, the use of students is also beneficial as they provide a relatively homogenous sample for the
study (Yavas 1994). For example, there is less chance of data being corrupted by other influences such as consumers’ ‘life station’, age differences, past historical experiences and differences in brand/product recognition/familiarity (Yavas 1994; Marchegiani and Phau 2011). An age limit of 18–26 years was placed on the respondents to assist in securing a homogenous sample. The initial item pool / survey items are generated based on the definition of economic nationalism through the works of Baughn and Yaprak (1996) and Shimp, Sharma and Shin (1995), which reveals that individual sentiment toward economic nationalism is elicited from cues such as welfare, livelihood, and a sense of community, whereas economic (national) sentiment toward the concept is connected to national incidents, domestic control, ownership and sometimes nationalist characters and emotions. All the respondents were briefed on the anonymity of their responses and their right not to answer questions. A discussion in four focus groups containing 8–10 respondents with characteristics like those used in the main study was undertaken to ensure that the survey items elicited the intended economic nationalistic response. The focus groups were facilitated by the researcher or an independent colleague as the researcher observed. The scale development encompasses a number of studies, books and articles although Churchill (1979), DeVellis (1991, 2003), Li, Edwards, and Lee (2002), Nunnally (1978), Oh (2005), Spector (1992) and Wells, Leavitt, and McConville (1971) are particularly influential.

**Study 1**

**Purpose**

The generation of items designed to capture the conceptual and logical true variance presented in the construct (Eastman, Goldsmith, and Reinecke Flynn 1999) is the first step for the scale development. Construct definition is a recognised weakness in some scale development procedures. This process was, therefore, carefully completed, first by exploring
the theory surrounding the concepts being explored to aid clarity, as per the suggestion of DeVellis (2003). The theories surrounding this, such as mercantilism and economic patriotism (nationalistic thoughts, attitudes and behaviours), have been previously discussed. Whether or not the construct being measured is distinctly different from other constructs is an important question that DeVellis (2003) suggests that researchers should ask. MacKenzie (2003) suggests that good construct definition should specify the construct’s conceptual theme in unambiguous terms so that the construct is clearly distinguished from other constructs. This is especially true in this case where, although the various forms of nationalism are distinctly different, an item may inadvertently measure both. For example, items citing “xenophobic undertones” may refer to other related but conceptually different terms such as nationalism, patriotism, ethnocentrism and consumer ethnocentrism, thus compounding the ontological and epistemological problems (Akhter 2007). Mowen and Voss (2008) discuss this as a ‘multiple-domain problem’. Items containing wording that is distinctly related to a specific form of ‘economic’ related nationalism, would, therefore, be needed, such as the use of ‘conflict’, ‘loss’, ‘rivalry’, ‘hostility’ and ‘aggression’ for expected ‘work’ related items and of ‘political’, ‘economic’ or ‘security’ for the economy. Thus, a response to economic threat is defined as a nationalistic reaction that causes people to safeguard domestic resources, industries, and people from the control of foreign firms, who are considered members of the out-group. These definitions are adapted from literature, particularly the work by Sharma, Shimp, and Shin (1995) and Baughn and Yaprak (1996). Using the preceding explanations of economic nationalism, we in this study (as per Li, Edwards, and Lee 2002) used three methods to generate a set of potential scale items: literature reviews (Churchill 1979), thesaurus searches (Wells, Leavitt, and McConville 1971) and experience surveys (Chen and Wells 1999; Churchill 1979), and followed the steps for scale development set out by DeVellis (2003). This resulted in an initial pool of 86 items
being developed. To ensure face validity, experience surveys (conducted with both academics and practitioners) were also conducted. A seven-point Likert-style scale was produced and anchored with ‘strongly disagree’ and ‘strongly agree’, respectively. The specific wording preceding the scale items is ‘Rate how strongly you agree with the following statements/descriptions.

Method and analysis

A survey was provided to the respondents containing the 86 items and demographic questions. A total of 336 respondents were analysed. Exploratory factor analysis (EFA) is a common first step in scale development and item refinement (DeVellis 1991; Spector 1992; Sweeney, Hausknecht, and Soutar 2000), and this procedure was undertaken.

Results

In order to refine the EFA, Cronbach’s alpha was examined and items with squared multiple correlations of less than 0.30 and corrected item-to-total correlations of less than 0.50 were removed (as per DeVellis 1991). DeVellis (2003) recommends the analysis of the items through their mean scores. This study’s scores of between 4.03 and 5.03 on a seven-point scale suggest no extreme differences between the items. Weaker items with almost identical stronger items (as judged in a focus group and an expert survey) were removed in an attempt to begin to optimise the length of the scale. At the end of these processes, 5 items relating to (ERT) economic related nationalistic tendencies (Cronbach’s a = 0.750) and 5 items relating to (WRT) work related nationalistic tendencies (Cronbach’s a = 0.720) remained (KMO and Bartlett’s test = 0.918, approx. $x^2 = 717.843$, df = 45, sig = 0.000). The existence of the ERT and WRT factor/items indicates a distinction between the two responses that supports the existent theory. Assuming that the factors are valid so far, this indicates the set of item’s
ability to measure the intended nationalistic response and shows a distinction between the
two types of nationalistic tendencies. This is a positive result although only an indication of
possible success, as the scale is at this point not yet validated.

Study 2

Purpose

The purpose of this study is to perform a test of unidimensionality on the scale items
developed in Study 1 using confirmatory factor analysis (CFA) and to purify the scale further
(if needed) by removing unnecessary or weak items. Li, Edwards, and Lee (2002) discuss the
unidimensionality of scales as essential, as composite scores are usually calculated on the
basis of the respondents’ scores on all the items of a scale as an unweighted sum (Hattie
1985). By comparing the remaining items with the working definition of the construct,
content validity could also be undertaken.

Method and analysis

A new survey form containing the ten consumer economic nationalistic tendencies (CENT)
items developed from Study 1 was produced. A total of 209 valid respondents were analysed.
The respondents were asked to rate how strongly they agreed with the items in terms of their
feelings and/or thoughts in response to the following statements/descriptions. In addition to
being used as a means of confirming the scale’s final form, CFA is used as a means of scale
reduction by indicating which items may be trimmed from the scale by viewing the
contribution of each item (Floyd and Widaman 1995; Netemeyer, Bearden, and Sharma
2003). Li, Edwards and Lee (2002) state that the rule of parsimony should be followed and, if
the reliability is consistent, that a scale with fewer items is preferred as a shorter scale which
is easier to use (Hunter and Gerbing 1982). Unidimensionality is often tested using CFA
(Pedhazur and Schmelkin 1991), which is considered a superior technique to EFA for this
task by some (O’Leary-Kelly and Vokurka 1998). AMOS (6.0) was used to conduct the CFA. From this point we deal with each scale factor separately during this stage.

**Results**

Study 2 provides five items measuring economic related tendencies (Hu and Bentler 1999; $x^2 = 4.9$, df = 5, probability level = 0.427, GFI = 0.990, AGFI = 0.971, TLI = 0.994, SRMR = 0.024, RMSEA = 0.000, $a = 0.70$) and five items measuring work related tendencies (Hu and Bentler 1999; $x^2 = 4.9$, df = 5, probability level = 0.429, GFI = 0.983, AGFI = 0.960, TLI = 0.991, SRMR = 0.024, RMSEA = 0.000, $a = 0.78$), both scale factors producing acceptable results. Shorter scales, often discussed as containing three to eight items, are recommended by researchers (Burisch 1997; Gerbing and Anderson 1988; Mowen 2000) and this result falls within these boundaries. Figure 1 and Figure 2 shows the CFA and five items that emerged from the procedure with respect to each scale factor. The items also continue to suit the definition of the construct that the scale is intending to measure, indicating content/face validity.

![Figure 1. CFA of Study 2](image-url)
Study 3

Purpose

Establishing trait/construct validity (e.g. Peter 1981) is the key goal for Study 3. More specifically, convergent, discriminant and criterion (predictive) validity are examined. Nomological validity can also be suggested. Campbell and Fiske (1959), Churchill (1979) and Oh (2005) were the key studies followed for this procedure. Similar to the undertaking by Oh (2005), two existing scales were included in this study to establish predictive validity, namely attitude towards Australian product quality and Australian product purchase/ownership. These scales adapted from Klein, Ettenson and Morris (1998) (previously Darling and Arnold 1988; Darling and Wood 1990; Wood and Darling 1993) were operationalized in a culture-specific fashion to reflect the local setting. For example, “willingness to buy” construct was also modified from Klein, Ettenson, and Morris (1998) in that "China" was replaced with "Australia." The underpinning studies demonstrating the suitability of these are previous studies that show that an increase in economic nationalism due to nationalistic sentiment positively affects attitude towards Australian product quality.

Figure 2. CFA of Study 2
and willingness to buy Australian owned product (Baugn and Yapra 1996; Mort and Duncan 2003; Akhter, Kim and Hosseini 2003). Thus, if the CENTScale is valid, those respondents experiencing a higher level of economic and work related ‘nationalistic’ tendencies as measured by the suggested scale will experience a more positive attitude towards Australian product quality and Australian product purchase and ownership.

**Method and analysis**

One new print advert containing country of origin/ownership related cues was developed and pre-tested by discussion in 3 focus groups of 8 to 10 respondents similar in characteristics to those used in the main study to ensure that the adverts contained cues pertinent to the intended economic nationalistic response. The advertisement constructed is based chiefly on Schaefer’s (1997) work, which reveals that under buyer behaviour conditions, economic nationalism is elicited from cues such as country of origin cues, brand ownership and familiarity, lifelike experiences and individual biasness. The print-style advertisement is show in Figure 3. The brand used in the advertisement is Penfolds (Grange). A total of 204 valid respondents who viewed the print-style advert are analysed. A new survey was produced containing the proposed CENTScale items in addition to the discussed measures of attitude towards Australian product quality and Australian product purchase and ownership. These instruments appear as Likert-style scales (seven-point) and are made up of four (attitude) and six (willingness to buy) items that achieved a Cronbach’s alpha equal to or greater than 0.80 in previous studies (Klein, Ettenson, and Morris 1998; Kea and Phau 2008). By using a median split based on the scale to separate the respondents into high and low economic nationalistic groups and performing t-tests comparing the groups’ attitude towards Australian product quality and willingness to buy Australian owned product, predictive
validity can be established. Correlation of the proposed scale and these measures can also be undertaken for nomological validity.

To test convergent and discriminant validity using a Pearson correlation matrix (PCM), we need the inclusion of previously established scales. As such, the CETSCALE (Sharma, Shimp, and Shin 1995), the World-Mindedness Scale (Sampson and Smith 1957), the Economic Animosity (Klein, Ettenson, and Morris 1998) and the Nationalism Scale (Kosterman and Feshbach 1989) are included in the survey. Attitude towards protectionism regarding home country bias and the morality and appropriateness of purchasing foreign products (Sharma, Shimp, and Shin 1995), a concept theoretically related to economic nationalism, has previously been tested by using the ‘CETSCALE’, ‘Economic Animosity’ and ‘Nationalism’ Scales. The World-Mindedness Scale is designed to establish the distinction between nationalistic sentiments associated with personal or economic effects. These items should relate closely to the items in the CENTScale under development, and although expected to be closely correlated, they should still be distinct. PCMs are used in previous studies to show convergent and discriminant validity (e.g. Churchill 1979; Eastman, Goldsmith and Flynn 1999; Lings and Greenley 2005).

**Results**

The attitude towards Australian product quality and willingness to buy Australian owned product measures have acceptable Cronbach’s alpha scores (respectively, $\alpha = 0.88$ and $\alpha = 0.84$). The proposed scale’s alpha is also acceptable ($\alpha = 0.86$). The criterion (predictive) validity of the scale is supported as those experiencing high consumer economic nationalistic tendencies (measured by the scale in development) have significantly higher mean scores in attitude towards Australian product quality ($M = 4.54$, $SD = 0.64$) than those with a lower
economic nationalistic tendencies \( (M = 3.29, SD = 0.85) \) \( t(149) = 17.071, P < 0.05 \). Likewise, they also have a significantly greater willingness to buy Australian owned product \( (M = 4.50, SD = 0.59) \) than their lower economic nationalistic counterparts \( (M = 3.26, SD = 0.73) \) \( t(152) = 17.667, p < 0.05 \).

As discussed by Netemeyer, Durvasula, and Lichtenstein (1991, 325), ‘In examining the nomological validity of a measure, it is important to concentrate on a pattern of results between criterion and predictors and not just significance of results (Cronbach and Meehl 1955)’. A pearson correlation test shows the proposed CENTScale to be significantly correlated to attitude towards Australian product quality \( (r = 0.473) \) and willingness to buy Australian owned product \( (r = 0.413) \) at the 0.01 level. As discussed, correlations of behavioural or attitudinal reactions to proposed scales are used in past studies to indicate validity (Netemeyer, Bearden, and Sharma 2003; Shimp and Sharma 1987). Nomological validity is thus indicated by these results as the items (CENTScale) behave as expected with respect to another item (attitude towards Australian product quality and Australian product purchase/ownership) to which they are theoretically related (Cadogan, Diamantopoulos, and de Mortanges 1999; Churchill 1995). However, further research is warranted before robustly justifying the scales as having strong nomological validity as patterns of results should be shown. At this stage, and with the support of the previous results, the scale continues to show positive results towards validation.

Following the procedure suggested by Churchill (1979) and Eastman, Goldsmith and Flynn, (1999), a PCM was created. The PCM is shown in Table 1. First, as required for an acceptable PCM, the coefficients indicating convergent validity should reveal significant and higher correlation coefficients with measures of other scales to which it is expected to be
related. The correlation of the proposed scale with the CETSCALE \( (r = 0.67) \) is significant and high enough to show convergent validity. Discriminant validity is supported by the higher correlation \( (r = 0.67) \) than with the proposed scale and animosity and world-mindedness measures \( (r = 0.29 \text{ and } r = -0.15) \), as well as the nationalism measure \( (r = 0.47) \). Reliability (Cronbach’s alpha) shows the continued acceptable reliability of the “ERT” \( (\alpha = .721) \) and “WRT” \( (\alpha = .783) \) scale factors which contributes to the overall CENTScale \( (\alpha = .81) \). From this study, it can be seen that the proposed CENTScale performs successfully in the predictive, nomological, convergent and discriminant validity tests.

<table>
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<th>Table 1: PCM for CENTScale development</th>
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<tr>
<td>i. CENTScale</td>
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<td>ii. CETSCALE</td>
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<td>iii. NATIONALISM</td>
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<td>iv. Attitude towards product quality</td>
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<td>v. Willingness to buy/ownership</td>
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<td>vi. ANIMOSITY</td>
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<td>vii. WORLD-MINDEDNESS</td>
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Notes: ** Pearson Correlation is significant at the 0.01 level (1-tailed). * Pearson Correlation is significant at the 0.05 level (1-tailed).

**Study 4**

**Purpose**

An increase in the generalizability and further validation of the scale is the key purpose of this study. A CFA on the ten prior validated items using a variation sample (working professionals as opposed to students) to assists in this undertaking. Successful adoption of the scale in both academic and managerial scenarios requires the scale to remain functional under varying conditions. CFA is also ideal for the final verification of the unidimensionality of a scale (Gerbing and Anderson 1988; Li, Edwards, and Lee 2002). A test re-test reliability
assessment is also performed to describe the generalizability of the model's ability to discern the stability of item responses over a period of time and assumes that there is no substantial change in the construct being measured between the two separate ‘test’ occasions (Haynes et al., 1999). The expectation is that the correlation between separate administrations of the test is high (see DeVellis 1991; Nunnally and Bernstein 1994 for Cronbach’s $\alpha = 0.70$ as the minimum level) suggesting good test-retest reliability in the scale.

**Method and analysis**

Data was collected via a mall intercept at a two part series seminar on current issues regarding the “Australian made Australian grown” campaign. This created sufficient relevance to our research as country of origin implications and nationalistic appeals were the main themes. Furthermore, these themes elicited the correct form of response to which the scale was designed to measure. All participants were noted to be working professionals, some being middle or top management executives from a multitude of industries. The test-retest reliability assessment will see respondents completing two halves of the survey three weeks apart (one half in the first week and the other half in the last week, see Robinson et al., 1991; Eastman, Goldsmith, and Reinecke Flynn 1999 for minimum test retest duration), with the propose scale appearing in each half. A total of 206 new respondents were analysed. This resulted in 103 respondents completing each half per session. AMOS 6 was used to conduct the CFA.

**Results**

The CENTScale (Cronbach’s $\alpha = 0.88$) under the new respondent condition with ERT ($x^2 = 4.09$, df = 5, probability level = 0.536, GFI = 0.992, AGFI = 0.976, SRMR = 0.023, TLI =
0.990, RMSEA = 0.000) and WRT (χ² = 2.23, df = 5, probability level = 0.815, GFI = 0.995, AGFI = 0.986, SRMR = 0.024, TLI = 0.991, RMSEA = 0.000), both scale factors showing acceptable results in the CFA (Hu and Bentler 1999). In addition to the high coefficient alpha, the study report high correlation between the summed scores of the CENTScale at each administration (r = 0.81, p < 0.01), showing test-retest reliability. This study, thus, achieves continuing reliability of the CENTScale, again supports the distinction between the two types of economic nationalistic tendencies and indicates a degree of generalizability of the scale.

DISCUSSION

This research is a necessary first step towards a much more robust understanding of economic nationalistic tendencies. The manuscript explores the process undertaken in developing the CENTScale. Through the four studies (indicated in parentheses) the research generates and purifies the items through EFA and CFA (Studies 1 and 2), shows content validity and unidimensionality using CFA (Studies 2 and 4), confirms the scale’s nomological, convergent, discriminant and predictive (criterion) validity (Studies 3 and 4), examines the generalizability (Study 4) and concurrent (criterion) validity (Studies 3 and 4), and ensures the scale’s ability to measure the intended reaction (Studies 1–4). A summary of the studies is shown in Table 2.

An important gap in the knowledge on consumers’ economic nationalistic reactions is filled by this research as no current sales are available that make distinguishes the concept from a more general operationalization of nationalism and other measures of international orientation; hence, they could not previously be measured or tested accurately. In addition, theoretical consistency and support contributed to the overall conceptual soundness of the
measurement, an element not previously considered by existing scales. Filling this significant
deficiency by providing such an instrument is an important contribution to future marketing
literature as the scale can be used, as a manipulation check in many cases, to test further the
many avenues related to economic nationalism that were not attempted while taking into
account the type of nationalistic sentiment. These include, but are not limited to, CENT’s
effect on cognition, emotions, attitudes, and intentions in comparison with other ‘xenophobic’
and ‘free-market’ appeals (Adorno et al., 1950; Caruana and Magri 1996, p.39).

The CENTScale is only a first step in understanding the two economic nationalistic
tendencies independently, but is one of necessity. In terms of methodological significance,
this study also indicates successful procedures for the future development of scales by
utilising the current methods. This would be especially useful for developing other scales
related to specific types of nationalistic tendencies.

MANAGERIAL IMPLICATIONS
The developed scale has managerial applications chiefly as a manipulation check to ensure
that marketing strategies (product labelling, cues etc) and advertisements are eliciting the
correct and intended form of nationalistic sentiment and to reveal the intensity level of this
specific nationalistic response. Understanding the level of nationalistic sentiment being
experienced also results in increasingly accurate predictions of consumer behaviour reactions
related to the appeal. For example, if a respondent is experiencing a high level of economic
nationalistic sentiment when deciding on local product quality, marketers may expect a more
positive evaluation towards the product or brand, or intention to purchase the brand.
Particular cognitive thoughts and emotions such as country of origin schema (image,
stereotype) and more product-brand familiarity may also be prevalent when respondents are
indicated by the scale to be experiencing high nationalistic sentiment. The scale also allows practitioners to be forewarned about the possible disadvantages of high levels of nationalistic sentiment and behaviour, such as a lack of thought about advertising message or ‘confirmation biases’ in buyer decision making may act as a distraction (Evans 1989; Nickerson 1998).

The developed scale’s managerial use will also become increasingly relevant on completion of future studies that empirically prove the implications that economically nationalistic tendencies has for the wide range of consumer responses. As discussed, this may include cognitive reactions, country of origin, heuristic, schema, brand loyalty, brand ownership, attitude and consumption/product preferences, foreign allegiance, bias and prejudice, collective action, public opinion and expectation and more (Baughn and Yaprak 1996; Verlegh and Steenkamp 1999; Balabanis et al., 2001; Akhter, Kim and Hosseini 2003; Mort and Duncan 2003). The continued and significant use of economically nationalistic sentiments as a common marketing appeal in the marketplace (Erdem, Swait and Valenzuela 2006; Heslop, Lu and Cray 2008; Karunaratna and Quester 2007; Insch and Florek 2009; Josiassen 2010) and the wide variety of responses important to practitioners in which economic nationalism is implicated supports the need of the developed scale.
Table 2. Development of the CENTScale summary

<table>
<thead>
<tr>
<th>Study</th>
<th>Purpose</th>
<th>Items</th>
<th>Respondents</th>
<th>Stimuli</th>
<th>Key methods</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Generate items and refine item pool</td>
<td>86 items</td>
<td>n = 336</td>
<td>Explained working definitions of concepts</td>
<td>EFA, reliability analysis (Cronbach’s)</td>
<td>EFA revealed two factors clearly related to consumer economic nationalistic tendencies. Resulted in 5 items relating to ERT (α = .746) and 5 items relating WRT (α = .720)</td>
</tr>
<tr>
<td>2</td>
<td>Test unidimensionality and purify items developed in study 1</td>
<td>five items for ERT and five items for WRT</td>
<td>n = 209</td>
<td>Explained working definitions of concepts</td>
<td>CFA with AMOS 6.0</td>
<td>CFA further refined the scale in five items for ERT (α = .690). Chi-square = 4.9, Degrees of freedom = 5, Probability level = .427, GFI = .990, AGFI = .971, RMSEA = .000; and five items for WRT (α = .780). Chi-square = 4.9, Degrees of freedom = 5, Probability level = .429, GFI = .990, AGFI = .971, RMSEA = .000</td>
</tr>
<tr>
<td>3</td>
<td>Validity tests: criterion, face, convergent, discriminant, and nomological</td>
<td>ten items from study 2</td>
<td>n = 204</td>
<td>Two print-style adverts for Penfolds (Grange)</td>
<td>PCM, median split, t-tests, reliability alpha, correlation</td>
<td>PCM considered successful (convergent and discriminant validity). t-Test showed that the scale was (as theoretically expected) linked to attitude toward product quality and willingness to buy locally owned. Cronbach’s alpha shows the continued high reliability (α = 0.81)</td>
</tr>
<tr>
<td>4</td>
<td>Increase generalisability of CENTScale by varying sample respondents.</td>
<td>Ten items from Studies 2 and 3</td>
<td>n = 206</td>
<td>Explained working definitions of concepts</td>
<td>CFA with AMOS 6, correlation</td>
<td>CFA showed continued unidimensionality and the generalisability of the CENTScale (α = .80) under new conditions of sample respondents (business professional as opposed to student). Test-retest reliability assessment of the Pearson correlation between the summed scores of the scales at each administration was .81 further demonstrates the CENTScale’s reliability, stable two factor structure and construct validity. CFA for ERT (α = .690). Chi-square = 4.096, Degrees of freedom = 5, Probability level = .536, GFI = .992, AGFI = .976, RMSEA = .000 CFA for WRT (α = .780). Chi-square = 2.238, Degrees of freedom = 5, Probability level = .815, GFI = .995, AGFI = .986, RMSEA = .000</td>
</tr>
</tbody>
</table>
Although the CENTSScale has undergone a number of tests in its development and validation, additional tests in order to increase generalizability are worthwhile. For example, non-student populations, alternative age groups should be tested and tests of the scale’s generalizability under various product categories would be beneficial. Given that this research is country based, future studies can test the generalizability of the scale with cross-national data or even through longitudinal research. Additionally, although some weaknesses in Churchill’s method are dealt with, a number of other scale development procedures exist that provide additional tests and reliabilities. The developed scale would benefit from additional testing to examine any weakness related to Churchill method. Further scale refinements and modifications to our hypothesised factor structure could necessitate the inclusion of new items, or the deletion of original ones.

While the scale seeks to cover all relevant aspects of economic nationalistic tendencies through carefully examining the literature, it is recognise that there may be specific areas or aspects within these nationalistic sentiments that may have been overlooked, or that may become more relevant as new trends in economic development and nationalistic or political issues emerge and evolve. For example, the continued support for nationalistic economic policies is quite evident in political activities of this and other nations, and such sentiment appears to decrease and then increase with changes in domestic economic conditions and international competition (Baughn and Yaparak, 1996). Through this measurement of economic nationalism at the individual level, this “ebb and flow” may be tracked over time on socioeconomic, regional and national levels. Additionally, with the availability of a CENTSScale, researchers can begin to examining the reactions of respondents experiencing specifically economic nationalistic reactions or sentiments to advertising on a range of consumer responses (either as a cue or as a result). This may include examining the differing
influences on cognitive, emotional, and attitudinal and purchase intent reactions. For example, exploration of the cognitive underpinnings of economic nationalism could build on the work in referent cognitions theory (Okami, 1992; Karunaratna and Quester 2007). An understanding of the role of such cognitions could facilitate our understanding as to why, when and for whom appeals for or against nationalistic economic policies would be effective.

To keep abreast with the ever-changing economic or business environments (e.g. political-economic conservatism, trade and industry), as suggested, researchers are strongly urged to incorporate these relevant aspects of the scale into their future studies, hence that a universal theoretically-and methodological-driven approach for the measurement of economic nationalism and its dimensions can be ensured on an ongoing basis.

REFERENCES


