Modified Animosity Model: Can Animosity Really Affect Consumer Behavior?

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Abstract:

We developed Modified Animosity Model by introducing social context factor into Animosity Theory (Klein et al. 1998), to examine the effect of animosity on consumer behavior in China. The results show that Chinese consumers' willingness to buy Japanese products would be affected indirectly rather than directly by their animosity against Japan.

Introduction

China, the "factory of the world", has experienced a rapid economic growth and in recent years is attracting attention as a huge consumer market from the world. Today, it is said that 90% of the international companies listed in the Fortune 500 have entered the Chinese market and compete massively for market share. The research we present here focuses on specific risk of Japanese companies, that whether the hostile emotions against Japan would influence consumer behavior about Japanese products in Chinese market.

China was invaded by Japan in 1931 and fought for 14 years with the loss of 300,000 lives. After the war, the two countries resumed diplomatic relations in 1972. Although a friendly relationship remained for a while, it started worsening since the 1990's mainly for the "unsolved" issues of history. Especially after the 21st century's start, with a series of conflicts in both political and private-sector levels, nation-wide anti-Japanese feeling was fueled which has reached a peak in the anti-Japanese demonstrations in more than 10 cities on spring, 2005ⁱ.

Japan's Genron NPO, China Daily and Peking University conducted jointly a public opinion survey in summer, 2005. Totally 1,938 citizens of 18-60 years old in 6 main cities of China were surveyed. 58% of subjects had negative feeling against Japan.

Although the rate was decreased in the second survey in 2006 (N=1,613), there were still over 50% of subjects showing negative sentiment against Japan (Genron NPO 2006).

These anti-Japanese feelings caused concerns of negative impacts on the consumer markets as the slogan of "boycott of Japanese products". Actually, in the peak of anti-Japanese sentiment on spring 2005, Japanese brand products were removed from some stores in the cities Changchun, Shenyang, Zhengzhou, Shenzhen etc. It is important to highlight that the targets of the exclusion / boycott are all products with Japanese brands regardless of producer countries including China.

Hostile feelings towards specific nations and regions among consumers could be observed not only in China, but also in different countries, although scales of the feelings differ across cases. Do these hostile feelings really cause an impact on consumer behavior? In recent years, some researchers have focused on the theory of hostility / animosity and have come to one common result. The researches' core result is that if consumers have hostile feelings towards specific nations / regions, it will cause a direct negative impact on the willingness to buy the nation / region's products and services.

Yet, past research could not provide convincing explanations when we watch the

consumer behavior in the market. It is nothing new if people claims anti-Japanese sentiment whereas be happy to buy Japanese products—As symbolized by young Chinese people carrying digital cameras or video-cameras of Japanese brands during the anti–Japanese demonstrations in 2005—, it often seems many Chinese consumers think their anti-Japanese sentiment separately with their private consumptions of Japanese products (Furuta 2005, Pp. 69-70).

This research would develop a new model based on existing model and test it empirically.

Literature Review

Animosity Theory

Animosity was firstly introduced to consumer behavior and marketing fields by Klein et al. (1998). It is defined as the remnants of antipathy related to previous or ongoing military, political, or economic events. There are two types of animosity, concretely war animosity (mainly from previous or ongoing military conflicts) and economic animosity (mainly from economic disputes). For instance, anti-Japanese sentiments observed in China and Korea are the cases of war animosity whereas negative feelings against Japan observed in 1960s~1980s in Southeast Asia and U.S.A.

were the cases of latter (expanding exports of Japan in its high-growth period).

Klein et al (1998) developed a model to measure the influence of animosity on consumer behavior. In order to do so, they assume that if consumers have feelings of animosity against specific nations or regions, the willingness to buy the specific nation's products or services would not only be influenced by the product performance itself, but also by personal animosity towards the specific nations. Additionally, the willingness to buy is also influenced by consumer ethnocentrisms. Consumer ethnocentrism is defined as the belief among consumers that it is inappropriate, or even immoral, to purchase foreign products because to do so is damaging to the domestic economy, costs domestic jobs, and is unpatriotic (Shimp and Sharma 1987, p.280).

Klein et al. (1998) conducted first animosity survey in Nanjing, China—the city is famous for the so-called Nanjing Massacre in World War II when 300,000 civilians were killed by the Japanese military—to examine the theory. The result suggested that people living in Nanjing have relatively strong animosity towards Japan (over 60% have strong and medium negative feelings against Japan), which led to the negative impact on the willingness to buy Japanese products. It is interesting to see that these kind of negative impacts exist regardless of the judgments of the productⁱⁱ.

The same conclusions were drawn in South Korea. The Korean consumers

seemed to judge products from Japan independently of animosity towards Japan which have negative impacts on the willingness to buy (Shin 2001).

As the case of lower animosity, consumer behavior about German products in Netherlands—many people in Netherlands still associate Germany with the time of WWII—was observed(Nijssen and Douglas 2004). The animosity had negative impacts on consumer behavior in the country also, especially the war animosity directly influenced willingness to buy German products when the economic animosity only had indirect impacts through consumer ethnocentrism.

One perspective of existing research is the comparison among multiple alternatives (Klein 2002; Nijssen and Douglas 2004). For example, when American consumers face a choice between Japanese and South Korean products, it was found that the more American consumers have hostile feelings against Japan—Japan and USA were enemies during WWII, but the hostile feelings against Japan escalated during the 1980's when Japan exported products massively to USA—the more South Korean products were preferred. And if facing two alternatives, one domestic product and one Japanese product, the higher the degree of ethnocentrism the more domestic product was preferred (Klein 2002).

The comparison of domestic products with foreign products was held in the

Netherlands, too—the country has a strong domestic brand, Philips, in the electric industry, but there is no strong car brand. War animosity and consumer ethnocentrism significantly influenced the willingness to buy German products negatively whether or not a powerful domestic brand exists. But if a strong domestic brand exists, economic animosity would be increased (Nijssen and Douglas 2004).

Animosity can be observed not only between countries, but also within one nation. For example, due to the American civil war in the 19th century, some prejudices still persist between the Northern and Southern parts. These prejudices / animosities affect the attitude towards the products originating from the different region negatively and increase the likelihood of buying products / services from the home region. Furthermore, some consumers are willing to pay a premium price for products from the home region (Shimp et al. 2004). Similarly, with the second Intifada—starting September 9th 2000— in the background, negative feelings of Jewish Israeli against Arabic Israelis directly affected their willingness to buy products and services produced or marketed by Arab Israelis (Shoham et al. 2006).

As above, the existing research reveals interesting findings, but still several problems remain.

Problems with literature

The Lack of the social context

The analyzing framework of existing research only pays attention to the individual's factors, but do not take the social context into consideration. Yet it is proven in the field of consumer behavior that consumer's attitude and actual behavior is not only affected by the individual's preferences and judgments, but also by the people or groups surrounding the individual consciously or unconsciously (reference group theory, Bearden & Etzel 1982; Park & Lessig 1977, or conformity theory, Asch 1951).

In recent years, a norm to refuse buying or using Japanese brand products seems to be formed in China. People buying or using Japanese brand products would suffer the pressure from the norm. The following two typical examples from interviews (subjects were university students) held in a major Chinese city, Changchun, in the north-eastern part of the country—is said to have very strong Anti-Japan-Feelings due to the long occupation by the Japanese—implemented in Dec. 2005 exemplify this:

"Recently, I met a High-School friend (male, attending university in Haerbin), he came to Changchun for vacation. He has a Japanese brand cell phone. So when using it, he looked with a frightened expression in his face and asked me 'The students here are not that radical, or?'. Students in his university seem to be quite radical. I didn't ask him why he was carrying a Japanese brand but he said that although having dissatisfactions with Japan himself, the products are very good"

"Using Japanese products, one would get criticized from surrounding people. My current cell phone is a NEC (a major electronic brand in Japan). I bought it because of its low price during a promotion period. But a lot of classmates mentioned 'You bought a Japanese product!'. I think next time I buy a new cell phone, I will buy a brand from a different country."

As these examples show, it is just conceivable that consumer behavior can be affected not only by personal animosity but also by normal pressure from the surrounding. Therefore, social context factor is necessary in the framework.

A reexamination of consumer ethnocentrism

Before reexamining the concept, it is necessary to make sure the differences of two types of the Japanese products—Japanese brand products and products made in Japan—. Japanese brand products includes all products with brand from Japan regardless of the place of production, and those made in Japan of them are products made in Japan. As we said before, the target of boycott in China is all those products with Japanese brands—we call it Japanese products in the following— no matter the place of production including China.

Although existing studies of animosity did not distinguish between these two types—Klein et al. (1998) only get mind products made in Japan, and other animosity studies afterward almost based on the first study—, it is extremely important today. With the progress of globalization, the so far practiced inter-country relations of simple trade—the background of the concept of consumer ethnocentrism in Shimp and Sharma (1987)—has been changing into a dynamic and complex form of global sourcing, production and sale. Therefore, it is more difficult for the consumers to differentiate between products of domestic made and foreign made.

Furthermore, as a result of active expanding overseas of Japanese companies, almost all of Japanese products in Chinese market today are produced in other Asian countries, with a large proportion made in China. Additionally, Japanese companies are playing important part in development of local economy and increasing job opportunities. So the boycott of Japanese products—backlash against anything related

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with Japan, simply from anti-Japanese sentiment—in fact causes a negative impact on the Chinese economy itself and therefore Chinese government had tried to avoid extreme behavior by informing the public.

Taking all these conditions into consideration, consumer ethnocentrism cannot interpret the boycott of Japanese products in China because of the self-contradiction of the concept emerged with the globalization of the world economy. The Chinese consumers reject Japanese products even those made in China. It seems that the reason for the rejection towards Japanese products is not consumer ethnocentrism, but only the pure anti-Japanese feelings. Therefore, it is not appropriate to include consumer ethnocentrism into the model at least as we consider the Chinese market.

Modified Animosity Model

We suggest a model adding some adjustments to Animosity Model of Klein et al. (1998), calling it Modified Animosity Model (MAM) here. Concretely speaking, we removed consumer ethnocentrism, and added social context factor with the concept of subjective norm. And we focus here on the willingness to buy only, actual buying behavior or owning are out of account.

Introducing social context

Theories of Reasoned Action (TRA, Fishbein and Ajzen 1975; Ajzen & Fishbein 1980) try to predict human behavior or intention more properly—the majority of research of behavior before was based implicitly on that attitudes lead to behavior—through adding social context factor to framework of the theory. According to the theory, intention to action as the previous step of action would be shaped by the attitudes toward the action and social influence about action, say subjective norm (Fishbein and Ajzen 1975).

Subjective norm is defined as one's 'perception of the social pressure... to perform or not perform' the action (Ajzen and Fishbein 1980). For an example of the behavior influenced by subjective norm, plastic surgery would be difficult to undergo if strong social norm around this is perceived no matter how much it is personally desired.

TRA have been applied to various research fields, recent research subjects include purchase of diet foods (Armitage and Conner 1999), eating snack foods (Grogan, Bell and Conner 1997), high risk behavior relative to epidemic like AIDS (Fishbein, Trafimow, Helquist and Eustace 1995; Trafimow 1994), smoking or drinking by youth (Laflin, Moore-Hirschl, Weis and Hayes 1994; Gottlieb, Gingiss and Weinstein 1992)etc..

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The influence of subjective norm to willingness to buy Japanese products in China was examined by Jin (2007b). Using convenience sample of university students in Shanghai and Dalian, Willingness to buy Japanese products was influenced negatively by pressure from the social norm.

Modified Animosity Model

We present our Modified Animosity Model based on the discussion above (Figure 1).

Figure 1 Modified Animosity Model (MAM)

According to MAM, willingness to buy Japanese products would be influenced directly by judgments of Japanese products, personal animosity toward Japan and subjective norm on purchasing or using Japanese products, and these 3 factors interact with each other. Subjective norm here indicates the normal pressure which is negative to purchasing or using Japanese products.

Correlation between product judgments and subjective norm is indicated in TRA (O'Callaghan, Callan and Baglioni 1999), reference group theory (Bearden and Etzel

1982; Park and Lessig 1977) and cognitive dissonance theory (Festinger 1957). People would perceive the normal pressure from around, and be influenced by information conforming to the norm or preference of others, product judgments would match with those around. At the same time, those who give low judgments toward Japanese products would prefer others give the same judgments, or they will fall into the condition of cognitive dissonance, or vice versa. The relation of two factors was also observed in attitudes toward Japanese products in China (Jin 2007b)

The relation between animosity and products judgments did not reach an agreement in existing research. It seems that animosity against Japan would not influence Japanese product judgments in China (Klein et al. 1998) and Korea (Shin 2001), but animosity of Jewish Israelis against Arab Israelis influenced Arab product judgments (Shoham et al. 2006). The difference may stem from the level of abstraction of animosity, say Chinese animosity against Japan is more abstract than the animosity within Israelis (Shoham et al. 2006), or from the established reputation of Japanese products as high quality in international markets.

But it seems that the high quality image of Japanese products became reduced with aggressive emergence of other foreign companies and rapid growth of local companies. Actually, there were some consumers who showed strong anti-Japanese sentiment considering Japanese products with not many advantages compared to other foreign or local products both in quality and cost performances (Jin 2007a). We can find here the same proof with Shoham et al. (2006) which could also be interpreted by cognitive dissonance theory. The product judgments would influence animosity level also, for instance those who appreciated Japanese products seems appreciate hard work and high technology of Japanese with less strong animosity (Jin 2007a).

Correlation between animosity and subjective norm would be anticipated also. People who show strong animosity against Japan seem to consider that others around have the same thought though not very often correct. At the same time, people who feel more normal pressure tend to internalize it and show it outside as if voluntarily (Jin 2007a).

All of the relations between factors of MAM can be organized as following hypotheses.

H1a: Japanese product judgments will have positive effects on purchase intentions of Japanese products.

H1b: Animosity against Japan will have negative effects on purchase intentions of Japanese products.

H1c: Subjective norm will have negative effects on purchase intentions of Japanese products.

H2a: Japanese product judgments will be related negatively to subjective norm, and vice versa.

H2b: Japanese product judgments will be related negatively to animosity against Japan, and vice versa.

H2c: Animosity against Japan will be related positively to subjective norm, and vice versa.

Method

Questionnaire

We designed the questionnaire based on measures of existing studies of Animosity Theory and TRA. The questionnaire was formed by four parts, specifically Japanese product judgments, subjective norm negative about purchasing or using Japanese products, personal animosity against Japan, and willingness to buy Japanese products. Note that Japanese products here refers to all products with brands from Japan—Mixed up with products made in Japan in Klein et al. (1998) and Shin (2001)—for the target of boycott from anti-Japanese sentiment in China includes all those products regardless of the producing place as we discussed above.

We made some kinds of efforts to ensure the quality of data. To reduce the bias from anti-Japanese sentiment of participants, most of the items are asked also for other non-Japanese products with Japanese products at last. The items about animosity against Japan and those specified to Japanese products were asked in the last part. The whole questionnaire was designed to be done in 10 minutes as we planned to implement the search on the internet by cooperation with Searchina, a research company which has many years of experience with Internet surveys. And five-point scales were adopted because Searchina's monitors are accustomed with the scale rather than seven-point which may throw monitors off though adopted by the most studies about animosity theory and TRA.

We used three items to measure the Japanese product judgments (1="strongly disagree," and 5="strongly agree"). As we asked for the judgments of other foreign products, the items were minimized only including quality, cost performance and fashionability.

Subjective norm would be measured more effectively by multiple than single items (Armitage and Conner 2001; Jin 2007b), so we adopted 4 items here. Concretely,

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the expectation of those around (co-workers, friends, families, or boy friend/girl friend etc.) about participant's willingness to buy Japanese products (1="they are strongly expecting I should not buy or use Japanese products," and 5="they are strongly expecting I should buy or use Japanese products"), and actual purchase behavior or usage around (1="they do not want to buy or use Japanese products," and 5="they want to buy or use Japanese products") were asked. Besides, there were also two items to measure if the participants perceived any normal pressure both from the society and the people around (1="strongly agree," and 5="strongly disagree"). The former two items were also asked about other foreign products whereas the latter two were asked only about Japanese products with animosity items together.

The animosity against Japan was measured by the following five items modified from Klein et al. (1998) according current situations. To measure war animosity, attitudes to both past history and words or deeds of Japanese leaders recent years were asked. Economy animosity was only measured by one item—Chinese consumers seem to positively evaluate the economic cooperation with Japan, but are discontented with market strategy of Japanese companies in Chinaⁱⁱⁱ—if the participants think the Japanese companies practice unfair strategy in Chinese consumer market. Besides, attitudes to Japan and Japanese were also asked. In these items of animosity, the smaller the point participants marked, the more high animosity level would be indicated.

Finally, two items were used to measure the willingness to buy Japanese products. The first item directly asked if the participants want to buy Japanese and other foreign products (1="strongly disagree", 5="strongly agree"). The second item asked if the participants want to buy products of non-Japanese brands (1="strongly agree," and 5="strongly disagree").

All final items appear in the Appendix. The questionnaire has two versions, one for car products, and the other for cosmetic products. The purchase or usage scenes of car are highly visible—it is said that consumers become more easily affected by more highly visible scenes (Bearden and Etzel 1982)—whereas cosmetics are not. And in both categories, there is a wealth of alternatives besides Japanese products in the markets—there are large number of brands from various countries and local firms—that consumers can select freely.

Procedure

The survey was implemented Oct. 30th~Nov. 13th, 2006 through Internet. The target was consumer monitors of Searchina (Shanghai), residing in five main cities, specifically, Beijing, Shanghai, Guangzhou, Wuhan, Nanjing. In doing so, we could

examine the model in multiple cities with different animosity levels, furthermore compare those results. Of the five cities, it is said that the anti-Japanese sentiment would be most strong in Nanjing—the site of horrific slaughter, known as the "Nanjing Massacre"—, but most moderate in Shanghai, and the other three cities would be between the two cities.

The car version questionnaire targeted those owning car products already or planning to buy in the foreseeable future (screened by a question before answering the questionnaire), whereas the cosmetic version targeted women monitors only. The surveys were ended automatically when valid samples reached 200 samples in each city for each category (total of 1,000 samples for each category).

In the car category survey, the proportion of men were over 50% (lowest were 52% in Shanghai, Highest were 62.5% in Guangzhou). With an age range of 20 to 59 years, over 70% were under 30 whereas 80% were under 35 in all cities. Over 80% were earning 2,000~6,999RMB monthly with the largest concentration in 2,000~3,999RMB. The sample was highly educated with over 60% of bachelor's degree in all cities. The samples were biased toward younger, better-educated people, reflecting internet user's distribution in China.

The cosmetic survey only targeted women. The sample concentrated young

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people with over 80% under 30 (over 90% under 35). About 50% were with bachelor's degree, and almost 70% were earning 1,000~4,999RMB monthly. The sample in cosmetic survey was younger, but of slightly lower income and education level^{iv}.

Analysis

Descriptive statistics

Japanese cars and cosmetics seem to be appreciated in almost all items—quality, cost performance and fashionability—with average score of above 3 in the all cities (the only exception was the judgment of cost performance of Japanese cosmetics in Beijing).

The anti-Japanese sentiment appeared prominently in all items about animosity in all the five cities for both categories. The attitudes toward Japan and Japanese were negative in all cities, especially there were strong animosities relative to the memory of history and recent conflicts with Japan with a mean score of under 2 in all cities either for car or cosmetic surveys. The dissatisfaction towards the strategy of Japanese companies was generally also relatively strong with a mean score of under 2.1.

On the other hand, subjective norm on purchasing or using Japanese products seems to be more neutral. There were exceptions perceived to not purchase or use Japanese cars and cosmetics in four cities except Guangzhou, but the mean score of other items about the normal pressure were above 3^{v} .

Finally, let's see the mean score of willingness to buy Japanese products. When we asked whether one wanted to buy Japanese products, people from Beijing were reluctant to buy either cars or cosmetics whereas people from Shanghai and Guangzhou seem to like to buy Japanese cars and cosmetics. But when asked whether want to buy non-Japanese products, the mean answers in all cities were positive indicating the anti-Japanese sentiment.

Analysis by the MAM

The analysis used structural equation modeling (AMOS). Results using all samples of the five cities appear in figure 2 for cars, and 3 for cosmetics. The fit statistics were as followings: for cars, normed fit index (NFI) = .95, comparative fit index (CFI) = .95, root mean square error of approximation (RMSEA) = .08; for cosmetics, NFI = .95, CFI = .96, RMSEA = .07.

Figure 2 Structural Equation Model Results (Car category, N=1,000)

Figure 3 Structural Equation Model Results (Cosmetic category, N=1,000)

The results show that willingness to buy Japanese products is affected by product judgments positively (.36, p<0.001 for cars; .67, p<0.001 for cosmetics) and subjective norm (-.57, p<0.001 for cars; -.24, p<0.001 for cosmetics) as we expected. But the effects of animosity on willingness to buy were significant for neither cars nor cosmetics, indicating that the anti-Japanese sentiment would not affect directly willingness to buy Japanese products. Therefore, H1a and H1c were supported whereas H1b was not in all samples for both cars and cosmetics.

All of the correlations among the 3 factors we expected were observed. The product judgments had negative correlations with animosity (-.29, p<0.001 for cars; -.24, p<0.001 for cosmetics) and subjective norm (-.77, p<0.001 for cars; -.81, p<0.001 for cosmetics). The animosity toward Japan and subjective norm influenced one another (.33, p<0.001 for cars; .30, p<0.001 for cosmetics). Therefore, the H2a, H2b and H2c were totally supported in all samples for both the two categories.

We also examined hypothesis with data by city (Multi-group analysis by AMOS). The fit statistics were CFI = .95, NFI = .92, RMSEA = .04 for car category, and CFI = .96, NFI = .92, RMSEA = .03 for cosmetic category. Analyses by city for cars lead to the same results above (Table 1). The willingness to buy Japanese cars was affected directly by product judgments and subjective norm, but not by animosity against Japan in all of the five cities (so omitted in Table 1). The correlations among the 3 factors were observed in each city. Therefore, H1a, H1c, H2a, H2b and H2c were supported, and H2b were not in each city, indicating the animosity do not affect purchasing intentions directly, but do indirectly through interacting with product judgments and subjective norm.

 Table 1
 Multiple-group analysis results (car category, N=200 for each city)

On the other hand, analyses by city for cosmetics lead to results (Table 2) which differ slightly with the results of all samples. Product judgments of Japanese cosmetics directly affected the willingness to buy whereas animosity still did not in each city (omitted in Table 2), as same as the results of all samples. The direct effects of subjective norm were not observed in some cities (Guangzhou, Wuhan) indicating that in these cities, the willingness to buy Japanese cosmetics seems to be affected only by product judgments. It is also notable that consumers of Beijing and Guangzhou were regarding product judgments of Japanese cosmetics and animosity against Japan. The results of hypothesis were as following: H1a, H2a and H2c were supported in each city, when H1c and H2b were supported in certain cities, and H1b was not supported in each city.

Table 2Multiple-group analysis results (cosmetic category, N=200 for each city)

Conclusion

The analysis of this study using the new model, MAM which introduced social context factor to Animosity Theory (Klein et al. 1998), lead to some interesting results.

First, the animosity against Japan did not affect directly the willingness to buy Japanese cars or cosmetics in all of the five cities. But there were indirect effects through interactions with product judgments or subjective norm (with the exception of the case of Japanese cosmetics in Beijing and Guangzhou where the indirect effects through product judgments were not significant). These results are different from those existing studies. According to Klein et al. (1998) and Shin (2001), Chinese (Nanjing city) and Korean (Soul city) consumers were considering the product judgments independently with their animosity against Japan, but the animosity directly affected willingness to buy Japanese products. We think the reasons for the differences are as follows: Firstly, we introduced social context factor—subjective norm—into the model, therefore the effect of animosity on willingness to buy may have been dispersed; Secondly, Klein et al. (1998) and Shin (2001) did not specify product categories in their questionnaires, so the effect of animosity surfaced more easily. In fact, the Chinese consumers are going through a relatively rational process about buying or using Japanese products, for instance the people reluctant to buy Japanese cell phones are willing to buy Japanese cars (Jin 2007a). Thirdly, with the entries of various global brands and the growth of local brands, the advantage of Japanese products in the market—Japanese products equal high quality through the mid-1990s at least—seems to have waned in recent years. Therefore the animosity and product judgments may became to influence one another more easily.

Second, the social context—subjective norm—seems to have relatively strong effect on the willingness to buy Japanese products. Considering animosity did not affect the willingness to buy in all cities for both categories, this result is fairly notable. The normal pressure from socially shared anti-Japanese sentiment had an especially strong effect in the willingness to buy Japanese cars than cosmetics (there even were no affects of subjective norm in Guangzhou and Wuhan). And subjective norm also had indirect affects through product judgments and animosity. All of these results indicated the important role in the formation of willingness to buy Japanese products.

Discussion

Managerial Implications

Can animosity really affect consumer behavior? Our answer is yes, but the effects are indirect not direct. Anti-Japanese sentiment of Chinese consumers would not directly lead to the boycott of Japanese products. It is notable that the conclusions were common among various cities from Shanghai (said to be with most moderate anti-Japanese sentiment) to Nanjing (said to be with most strong anti-Japanese sentiment) with different animosity levels about both Japanese cars and cosmetics.

However, the effects of anti-Japanese sentiment exist still, through interactions with product judgments or subjective norm. Anti-Japanese sentiment lead to decline of judgments of Japanese products—seen in this light, Japanese products are handicapped compared to products from other countries in Chinese market—, and product judgments also increase the negative sentiment to Japan adversely. This vicious circle can interpret why the scandals of Japanese products often cause more significant controversies than those products from other countries. Therefore, Japanese companies need to make a special effort in quality managements and crisis- management. The vicious circle also can be seen between animosity and subjective norm. People who have high animosity against Japan would overinterpret the normal pressure, when the subjective norm also increases animosity.

Considering also the direct effect (relatively strong as a whole) on the willingness to buy, subjective norm was playing a fairly important role in the willingness to buy Japanese products. Japanese companies need to put much emphasis on public relations to moderate the social norm that is negative to buying or using the Japanese products. And the conflicts between the two countries and extensive media coverage about those conflicts—can reinforce the normal pressure, and directly and indirectly lead to reduction of willingness to buy Japanese products eventually—are undesirable for Japanese companies in China.

Conversely, if people appreciated the quality or cost performance of Japanese products and little normal pressure perceived, one may buy Japanese products with no hesitation even if he has rather strong anti-Japanese sentiment. As a whole, it can be said that Chinese consumers are finding a balance among judgments about Japanese products, personal animosity against Japan and normal pressure from around.

Finally, Japanese companies from different industries need to make an adjustment in their communication strategies. Although the willingness to buy was not

influenced by animosity either in car or cosmetic categories, the influence of subjective norm on purchasing intentions seems to be more significant in cosmetics than cars as a whole. Therefore, maybe Japanese car companies need to more carefully take account of the factor of subjective norm in their communication strategies than cosmetic companies.

All of these results here are specified Japanese products, but also have implications for products of other countries, especially those which had or are likely to have political or economical conflicts with China.

Limitations and Further Research

We recognize several limitations of this study. The first limitation—common with the other existing studies about animosity theory—is that the analysis using the new model, MAM, did not take account of time axis. The level of animosity would change from time to time. For instance, anti-Japanese sentiment in China—said to be deep-seated backed by the history of war—reached its peak in spring, 2005, and though it seems to be alleviated in recent days, it is easy to get fired up when a new stimulation emerges. We need to collect data in different levels of animosity to complete the understanding of the consumer behavior in background of animosity. Secondly, the differences among different categories were not discussed fully. Especially, the effects of subjective norm on willingness to buy were more significant in the car category than the cosmetic category, but we could not tell the reason of the difference. Maybe the visibility and relative price of each category can partially be used to interpret (Jin 2007a). Further research needs to be more focused to resolve this problem.

Finally, our new model, MAM, needs to be applied in other countries or regions to examine the validity of the model. Through introducing the factor of social context, our study leaded radically different conclusions from existing studies. We argue here that the animosity influence consumer behavior indirectly but not directly, and interacted with product judgments. Therefore, it is necessary to examine the model in other countries or regions. For instance, Korea could be the next subject of research since the Korean consumers are said to have anti-Japanese sentiment similar to the Chinese consumers.

Appendix. Scale Items for car category

The questionnaire divides into four parts. In Part1~3, each question was asked for either Japanese or non-Japanese cars. Specifically, first asked for local brands, next German brands, then American brands, followed by Korean brands, and Japanese brands at last (in cosmetic survey, we asked first for local brands, next Euro-American brands, then Korean brands, and Japanese brands at last). Part4 included the five items about animosity against Japan, and (5), (8) and (9) in the follows which were specified to Japanese products.

The questions for Japanese products or Japan are as follows.

Part1. Product judgments: (1~5: strongly disagree ~ strongly agree)

- ① Japanese cars are superior in quality.
- ② Japanese cars are superior in cost performances.
- ③ Japanese cars are fashionable.

Part2. Willingness to buy:

- ④ I would like to buy Japanese cars. $(1 \sim 5: \text{ strongly disagree} \sim \text{ strongly agree})$
- (5) I would like to buy non-Japanese cars whenever possible. $(1\sim5: \text{ strongly agree})^{R}$

Part3. Subjective norm:

- (6) People around me (family, friends, co-workers, and boy/girl friends etc.) are expecting I should/should not buy or use Japanese cars. (1~5: are strongly expecting I should not ~ are strongly expecting I should)^R
- People around me (co-workers, friends, families, or boy friend/girl friend etc.)
 want/do not want to buy or use Japanese cars. (1~5: do not want ~ want) ^R
- (8) I feel under pressure from the society to buy or use Japanese cars. (1~5: strongly agree ~ strongly disagree)^R
- I feel under pressure from my surroundings to buy or use Japanese cars. (1~5: strongly agree ~ strongly disagree)^R

Part4. Animosity: (1~5: strongly agree ~ strongly disagree)

- 10 I dislike Japan. R
- 1) I dislike Japanese. ^R
- 1 I will never forget the history of aggression by Japan. R
- 3 I feel angry toward the words and deeds of Japanese leaders in recent years. ^R
- Japanese companies are implementing unfair market strategies in Chinese market. ^R

Notes: R = reversed scored.

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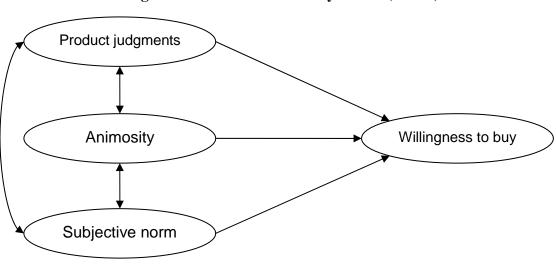


Figure 1 Modified Animosity Model (MAM)

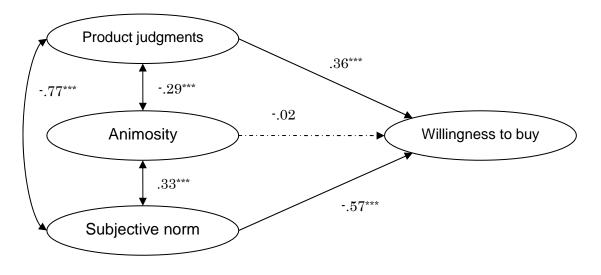
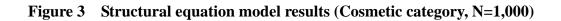
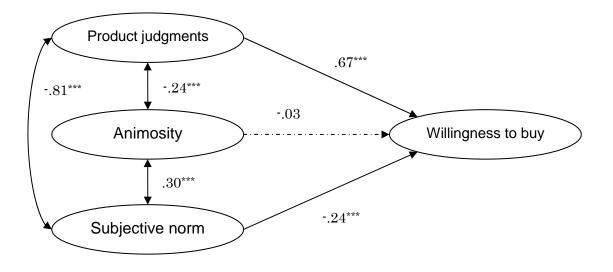


Figure 2 Structural equation model results (Car category, N=1,000)

Note1: ***: P<0.001





Note1: ***: P<0.001

	Nanjing	Guangzhou	Beijing	Wuhan	Shanghai
Product judgments → Willingness to buy	0.26***	0.37***	0.32**	0.39***	0.55***
Subjective norm \rightarrow Willingness to buy	-0.65***	-0.67***	-0.64***	-0.51***	-0.34**
Product judgments $\leftarrow \rightarrow$ Animosity	-0.29***	-0.25**	-0.32***	-0.31***	-0.30***
Product judgments ←→ Subjective norm	-0.75***	-0.76***	-0.82***	-0.72***	-0.81***
Animosity \longleftrightarrow Subjective norm	0.35***	0.26**	0.32***	0.38***	0.40***

 Table 1
 Multiple-group analysis results (car category, N=200 for each city)

Note1: ***: P<0.001, **: P<0.01

	Nanjing	Guangzhou	Beijing	Wuhan	Shanghai
Product judgments \rightarrow	0.51***	0.65***	0.75***	0.85***	0.58***
Willingness to buy					
Subjective norm \rightarrow	-0.44**	-0.20	-0.18*	-0.12	-0.38**
Willingness to buy	-0.44	-0.20	-0.18	-0.12	-0.38
Product judgments $\leftarrow \rightarrow$	-0.33***	-0.13	-0.11	-0.33***	-0.31***
Animosity	-0.55	-0.15	-0.11	-0.33	-0.51
Product judgments $\leftarrow \rightarrow$	-0.86***	0.04***	-0 78**	0.70***	-0.83***
Subjective norm	-0.86	-0.84	-0./8	-0./8	-0.83
Animosity $\leftarrow \rightarrow$	0.34**	0.26**	0.23**	0.32***	0.22**
Subjective norm	0.34	0.26	0.23	0.32	0.32**

 Table 2
 Multiple-group analysis results (cosmetic category, N=200 for each city)

Note1: ***: P<0.001, **: P<0.01, *: P<0.05

ⁱ Japanese former Prime Minister Junichiro Koizumi had visited Yasukuni Shrine —Class-A Japanese war criminals were also enshrined—for 6 times in 2001~2006 regardless fierce protests from China (and Korea). There were other conflicts, for example, drilling rights of the gas fields in the East China Sea and territorial rights of the Senkaku Islands (or Diaoyu Islands). But the trigger of the nation-wide anti-Japanese demonstrations was the move to gain a permanent seat in the Security Council of the United Nations of Japanese government.

ⁱⁱ The subjects were recruited randomly on the street, and 69.3% were female with a mean age of 35 years. We need to take the bias which may come from the data-gathering process.

ⁱⁱⁱ According to the survey(2006) by Genron NPO etc. introduced above, about economic cooperation with Japan, most and second-most answers were "good for both countries" (29.5%) and "the Chinese economy threats the Japanese economy" (26.7%), only 11.1% of participants thought "the Japanese economy threats the Chinese economy". However, most Chinese consumers are wary for discriminatory strategy—qualities of products or services are lower than in other countries, say, recalling faulty products in other countries but not in China, etc.— of Japanese companies (Jin, 2007a).

^{iv} There were some differences to a varying degrees in both categories, but as a whole, the similar trends were observed among the cities in age, education level, and income etc..

^v It is notable that there were no trend among the mean scores—it is commonly said that anti-Japanese sentiment is different among regions, say, most strong in Nanjing, and most moderate in Shanghai—among cities on scores of animosity and subjective norm. But the focus here is the effects on the willingness to buy, rather than mean scores of animosity or subjective norm.