

NATIONAL LOYALTY AND IDENTITY IN AIRLINE CHOICE

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ABSTRACT

Should passenger airlines tout their respective national identities, or present a cosmopolitan face to the world? To which types of travelers should they appeal, regardless of national identity? The extant literature well documents studies of national loyalty and identity and their effects on consumer choice. In the realm of passenger transportation service options, often price concerns will override considerations or biases of national loyalty or identity. Nevertheless, the present study finds national identity and bias to be significant predictors of attitudes toward carriers (based on nationality of the carrier), controlling for price. Indeed, perceived cultural similarity between consumer and carrier is seen as a significant predictor of attitudes toward the carrier. This bias, while not as significant as price, often outranks service as a predictor of attitudes toward a carrier.

LITERATURE REVIEW

In the marketing literature there is extensive study of national identity or loyalty, with regard to both own-country perceptions and country of origin perceptions. A commonly used measure of own-country perceptions in marketing is the CETSCALE, which concerns consumer ethnocentric tendencies (Shimp and Sharma 1987). Antecedents suggested empirically to consumer ethnocentric tendencies include patriotism, conservatism, nationalism, internationalism and collectivism (Sharma et al. 1995, Balabanis et al. 2001). Expansion on this research stream has suggested that not only do consumer ethnocentric tendencies apply to own-country products and services, but also to the products of countries considered culturally similar (Watson and Wright 2000). The effects of consumer ethnocentric tendencies may be moderated by the necessity of the product or the perceived economic threat (Sharma et al. 1995). As applied to choice of transportation service, Bruning (1997), on a study of air travelers in Canada, found that while price is the strongest determinant of airline choice, national loyalty possesses the second-highest influence.

Country of origin effects have been studied from multiple perspectives in the marketing literature. Among the antecedents of country of origin effects demonstrated in the literature are processing motivation, level of dispersal of information on a country, level of individualism vs. collectivism in a culture, and specific sub-cultural groupings within a country (Gürhan-Canli and Maheswaran 2000a,b, Heslop et al. 1998, Laroche et al., 2002).

A related concept is that of consumer animosity, defined as “the remnants of antipathy related to previous or ongoing military, political, or economic events” (Klein et al. 1998). Studies have demonstrated that animosity exists independent of consumer ethnocentrism as conceptually distinct (Klein 2002, Klein and Ettinson 1999) and proceed from unique antecedents (Klein and Ettinson 1999).

CONCEPTUAL MODEL

In the conceptual model depicted in Figure 1, National Identity is linked to Attitudes Towards Own-Country, which in turn, is linked to Attitudes towards Own Country Airlines. National Identity is also linked to National Bias, which moderates the relationship between Attitudes towards Countries (Asian and non-Asian) and Attitudes towards Carriers from these countries (Asian and non-Asian). Although not modeled, Age, Gender, Usage and Wealth are sometimes presented as additional moderating variables; however, in our analysis these relationships were not confirmed in the analyses and, consequently, were not included as main arguments in the analysis. Thus, the model proposes that country-specific attitudes determine air traveler airline-specific attitudes for different countries. In the own-country case a slightly different relationship holds: attitudes towards the home country mediate the relationship between one's national identity and one's attitudes towards the home country's airlines. Furthermore, national identity is the basis for the development of national bias (i.e., consumer ethnocentrism, consumer animosity), which alters the relationship between attitudes towards a country and the attitudes towards its airlines—it enhances positive feelings for own-country and negative feelings for foreign countries through processes of social identification and out-group differentiation. The stronger one's national identity, the greater the positive moderating effect on one's own-country and own-airline attitudes. As depicted in Figure 1, the moderating effect for own country attitudes is expected to be positive, while for foreign countries a negative moderating effect is expected.

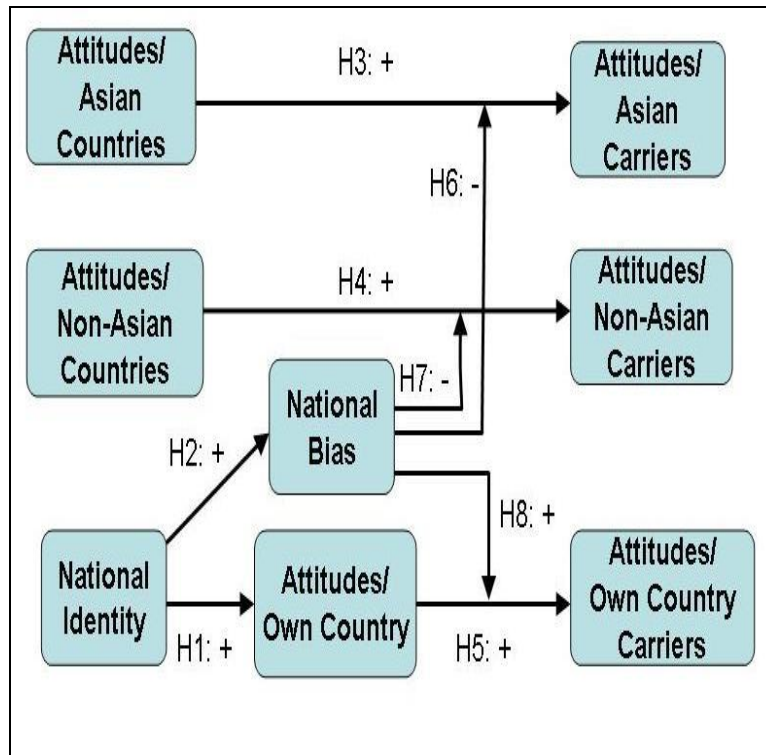


Figure 1: Conceptual Model

With reference to Figure 1, the following formal hypotheses direct our empirical investigation:

- H1: National Identity (NI) is positively and directly antecedent to Attitudes towards one's Own Country (ATOOC).
- H2: National Identity (NI) is positively and directly antecedent to National Bias (NB).
- H3: Attitudes towards Asian Countries (ATACO) is positively antecedent to Attitudes towards Asian Carriers (ATACA).

- H4: Attitudes towards non-Asian Countries (ATNACO) is positively antecedent to Attitudes towards non-Asian Carriers (ATNACA).
- H5: Attitudes towards Own Country (ATOCO) is positively and directly antecedent to Attitudes towards Own Carrier (ATOCA).
- H6: National Bias (NB) negatively moderates the relationship between Attitudes towards Asian Countries (ATACO) and Attitudes towards Asian Carriers (ATACA).
- H7: National Bias (NB) negatively moderates the relationship between Attitudes towards non-Asian Countries (ATNACO) and Attitudes towards non-Asian Carriers (ATNACA).
- H8: National Bias (NB) positively moderates the relationship between Attitudes towards Own Country (ATOCO) and Attitudes towards Carrier (ATOCA).

EMPIRICAL METHODOLOGY

Research Instrument

A questionnaire is employed to solicit attitudinal and demographic information from respondents in order to capture national identity, national bias, and attitudinal measurements and link attitudes towards country to attitudes towards airlines from those countries. The questionnaire comprises three sections. Section one captures information relative to the respondents' frequency of travel, self-reported knowledge of air travel, assessments of air travel attributes, and future travel usage levels. The second section of the questionnaire includes eight questions related to National Identity (Chronbach alpha = .74), and six questions concerning National Bias (Chronbach's alpha = .94). For the National Bias variable we employed Shimp and Sharma's CETSCALE. Attitudes towards Countries and Attitudes towards Carriers each had three variables.

All attitudinal scales exhibit excellent levels of internal consistency (Cronbach's alpha scores ranged between .88 and .94). The final section of the questionnaire includes items concerning respondents' age, income, gender, and participation in air mileage programs. Data were collected at six major international airports in Canada.

Study Sample

A purposive sample design was employed to identify and collect information from the Canadian air traveler population. Based on Canadian statistics, efforts were made to balance the sample according to gender, age, and air travel characteristics. Each study respondent was screened in terms of 1) Canadian citizenship, 2) local residency, 3) gender (in order to assure balance relative to travel statistics), 4) dominant language spoken, and 5) age of respondent (interviewers attempted to balance the sample age distribution with the historical age profile for Canadians general). We interviewed only Canadian citizens who resided in the local area where the interview was conducted, and who were willing to complete the attitude survey. Respondents participating in the study represent all western provinces (Manitoba, Saskatchewan, Alberta, and British Columbia), the central provinces of Ontario and Quebec, and the eastern province of Nova Scotia. A total of 1423 respondents took part in the survey.

EMPIRICAL RESULTS

Descriptive Characteristics

Average age of the respondents range between 41-60 years (66%), with 15% of respondents frequenting the less than 41 years and 19% in the 61 and over categories. Approximately 60 percent of the sample is male and 40 percent female. Interestingly, the sample units are equally split on the purpose of the trip—pleasure or business. Self reported levels of knowledge about international air travel are approximately normally distributed and are rated slightly above the mid-point of the seven-point scale. The typical sample respondent travels approximately 3 to 4 times per year, although the percent of

international air travel is considerably lower at less than 1 trip per year.

Table 2
Descriptive Statistics for Selected Profiling Variables

<u>Traveler Attribute</u>	<u>Central Tendency</u>
Age	41 - 60 years
Gender	
Male	41%
Female	59%
Trip Purpose	
Business	51%
Pleasure	49%
Air Travel Knowledge	4.9 (7-point scale)
Average Annual Trips	
Domestic	3
International	1

Table 3
Mean Values for Key Study Variables

National Identity (NI)	4.25
National Bias (NB)	4.17
Attitudes towards Own Country (ATOCO)	6.26
Attitudes towards Own Carrier (ATOCA)	6.24
Attitude Toward Asian Country (ATACO)	4.77
Attitude Toward Asian Carrier (ATACA)	4.63
Attitude Toward non-Asian Country (ATNACO)	4.80
Attitude toward non-Asian Carrier (ATNACA)	4.91

Data from the questionnaire were analyzed using hierarchical regression where the initial regression was to regress National Bias

and Attitude toward Own Country against National Identity. In the second stage, Attitudes toward the carrier (Own, Asian and non-Asian) were regressed against Attitudes toward Countries, National Identity and the moderating influence of National Bias.

Study Findings

The standardized Beta coefficients and significance levels for each variable in the hierarchical regression analysis are reported in Table 4. For the overall hierarchical model, the adjusted R^2 was 0.490 and the F-statistic was significant at the $p < 0.01$ level. Thus, the model reflected a strong fit to the data. Furthermore, all study hypotheses were supported by the empirical results.

Table 4
Standardized Beta Coefficients and Significance Levels
For Study Hypotheses

<i>Relationship</i>	<i>Std. Beta</i>	<i>P-value</i>
NI⇒ATTOWNCO	0.279	.001
NI⇒NB	0.198	.001
ATTOWNCO⇒ATTOWNCA	0.518	.001
ATTASIANCO⇒ATTASIANCA	0.716	.001
ATTNASIANCO⇒ATTNASIANCA	0.771	.001
NB⊗ATTASIANCO⇒ATTASIANCA	-	.010
	0.149	
NB⊗ATTNASIANCO⇒ATTNASIANCA	-	.020
	0.127	
NB⊗ATTOWNCO⇒ATTOWNCA	0.057	.036

National Identity (NI) was positively related to Attitudes towards Own Country (ATOCO) ($\beta = 0.279$, $p < .001$), which supports H1. Thus, respondents' identification with their country positively is positively associated with the strength of the attitude towards that country. Secondly, national identity (NI) positively affects national

bias (NB) ($\beta = 0.198, p < .001$), which is to say that our sense of identity translates into a form of bias that favors one's nation relative to other nations. Therefore, H2 is supported by the findings. Third, attitudes towards respondents' own country are significantly correlated with their attitudes towards the airline from the home-country airline. Our third study hypothesis, H3, is therefore supported. Respondent attitudes towards Asian countries are strongly associated with attitudes towards the airlines from Asian countries ($\beta = 0.716, p < .001$) thus supporting H4. Similarly, attitudes towards non-Asian countries are also positively associated with attitudes towards air carriers from those countries, ($\beta = 0.771, p < .001$), thus offering support for H5. Finally, national bias fully moderates the relationships among the country and carrier attitudinal variables; the moderation effect is negative for Asian ($\beta = -0.149, p < .01$) and non-Asian ($\beta = -0.127, p < .02$) countries and positive for own-country ($\beta = 0.057, p < .036$), thus supporting H6, H7, and H8.

DISCUSSION AND CONCLUSIONS

The empirical results of our analyses support the contention that National Identity and National Bias impacts upon attitudes towards foreign as well as domestic airlines. While researchers exploring consumer ethnocentrism acknowledge the importance of person-specific traits that bias assessments of quality and choice, they have not linked the national identity construct to attitudes that may perform a critical role in explaining the formation of attitudes towards specific companies. The strength of one's national identity is a critical feature in understanding attitudes toward firms from a given country. Individuals not predisposed to a strong sense of national identity are unlikely to reflect strong nationalistic attitudes, or to demonstrate strong national bias tendencies in consumption situations. On the other hand, consumers with strong attachments to nation will also possess positive attitudes towards country as well as companies from that country, while holding more negative attitudes towards other countries and their firms. These findings reach beyond the generalization that country of origin serves as a separate cue that consumer's process in forming judgments and choices. It also summarizes individual and group identity feelings whenever more

specific information is not known. The point is that an emotion is evoked whenever an element of one's identity is stimulated. For individuals with strong national identity, the national bias effect will prove to be a more prominent factor in consumer choice. On the other hand, weak national identity linkages will result in a significantly lesser bias for one's own country and fewer negative attitudes towards foreign countries and their firms. Travelers possessing strong bonds between nation and self will tend to value own-country carriers above foreign-based carriers even when other flight attributes favor the foreign carrier. The results of earlier studies confirm this finding (Bruning, 1997).

None of the demographic factors are significant in this research. This lack of significance is itself an interesting finding, as it is somewhat counterintuitive: More frequent and business travelers may be expected to be more discriminating, sophisticated and worldly, and have greater considerations for service than for national affinity. This finding runs counter to previous research that found a significant relationship between gender, education and income (although not age) and preferences for foreign products (Sharma et al. 1995).

In addition, further research can expand on the role of subcultures when choosing airlines. Canada, for example, possesses geographical as well as socio-linguistic distinctions (Barry and Kalin 1995), and the levels of national identity may vary considerably among these groups.

Finally, further expansion on the model may take into account animosity (Klein et al. 1998). While Canada, for example, does not currently witness outright large-scale military animosity with any other nation, intense feelings of rivalry and suspicion exist among segments of the population with the United States. Future research may seek to disentangle any possible conflation of national identity with animosity toward carriers from other nations.

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