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What is the effect of ethnocentrism in a case of a national spirit with GI?

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Globalization changes consumers choices and purchasing decisions of foodstuffs and beverages. Despite growing consumer cosmopolitanism and openness to non-domestic products, consumer ethnocentrism plays a key role in the markets of developed countries when governments take protectionist measures due to economic crises and downturns. And there is also a tendency of customers to prefer local (or regional) products and brands over foreign ones.

Different studies emphasise the importance of testing and investigating the impact of consumer ethnocentrism on different products, and research on national and GI products is quite limited. Thus, the aim of the paper is to analyse the relationship between consumer ethnocentrism and different socio-demographic characteristics in the case of a Hungarian national GI spirit called palinka, using latent profile analysis (LPA). The analysed sample contains the answers of 760 respondents, representative of the Hungarian alcohol-consuming population.

According to the results, consumer ethnocentrism, measuring with Consumers' Ethnocentric Tendencies Scale (CETSCALE), remains a significant issue in the Hungarian (palinka) market. With the help of cluster analysis, four consumer groups with different socio-demographic characteristics were identified. The effect of age, place of residence, level of education and income status were significant in the model, while no significant effect was detectable in the case of gender. The results provide market participants with a detailed understanding of which customer groups are the most ethnocentric and must be targeted. Furthermore, this study also confirmed that there is stronger ethnocentrism with national and GI products, which needs to be considered by market participants (e.g., competitors, distributors, producers) to understand the (Hungarian alcoholic beverage) market.