Purchase Intentions and Ethnocentric Tendencies among Indian Consumers: A Quantitative Investigation into Handloom Textiles

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Abstract

This study investigates the relationship between consumer ethnocentrism and purchase intentions in the context of India's handloom textile industry. Specifically, it explores the mediating roles of perceived quality and consumer attitudes in shaping urban consumer behavior toward handloom products. A quantitative survey of 380 respondents from Delhi was conducted, and data were analyzed using exploratory factor analysis (EFA) and structural equation modeling (SEM). The findings confirm that consumer ethnocentrism significantly influences purchase intentions, with perceived quality and consumer attitudes playing pivotal mediating roles. Practical implications include marketing strategies focused on cultural storytelling and authenticity, as well as policy recommendations to support artisans and enhance the competitive positioning of handloom textiles. The paper concludes with limitations, recommendations for future research, and a call for deeper explorations of consumer preferences to sustain the handloom sector amidst globalization.
Keywords: *Consumer ethnocentrism, purchase intentions, handloom textiles, consumer behavior, perceived quality*

1. Introduction

The handloom textile industry in India is a critical cultural and economic asset, contributing to the nation's identity and serving as a significant source of rural and urban employment. As one of the largest cottage industries in the world, it employs over 4.3 million artisans and represents centuries of heritage through diverse weaving traditions, including Banarasi, Pochampally, and Chanderi textiles (Ministry of Textiles, 2022). Handloom products are renowned for their authenticity, craftsmanship, and sustainability, making them distinct in a world increasingly dominated by machine-made goods.

However, despite their cultural significance, the handloom industry faces several challenges, including competition from mass-produced textiles, declining consumer interest, and a lack of standardized quality (Khare and Sadachar, 2017). Globalization has intensified these issues by introducing consumers to cheaper and more uniform alternatives, especially in urban markets where price and convenience are often prioritized. Consequently, the survival of the handloom sector depends on a deeper understanding of consumer behavior and the factors that drive purchase intentions for handloom products.

One such factor is consumer ethnocentrism (CE), which reflects a consumer's preference for domestic products over foreign goods due to moral and cultural considerations (Shimp and Sharma, 1987). Ethnocentric consumers perceive buying local goods as a way to support the domestic economy and preserve cultural heritage. This is especially relevant in the case of handloom textiles, which symbolize India's rich cultural identity (Raj, Gupta, & Tyagi, 2023). Research

indicates that ethnocentrism is a key driver of purchase intentions, particularly in markets where products have symbolic or cultural value (Balabanis and Diamantopoulos, 2004).

Nevertheless, consumer behavior is multifaceted, and purchase intentions are rarely driven by a single factor. For instance, perceived quality plays a crucial role in shaping consumer choices, as handloom products often rely on perceptions of craftsmanship, durability, and authenticity (Zeithaml, 1988; Khare and Sadachar, 2017). Additionally, consumer attitudes, encompassing both emotional and cognitive evaluations, mediate the relationship between ethnocentrism and purchase intentions (Raj et al., 2024). Positive attitudes toward handloom textiles are often rooted in their cultural significance and sustainability, making them an essential factor in purchase decisions.

This study explores the interplay of these variables—consumer ethnocentrism, perceived quality, consumer attitudes, and purchase intentions—focusing on urban consumers in Delhi. Delhi's metropolitan context provides a unique opportunity to study consumer behavior, given its exposure to global brands and the growing emphasis on domestic products. By analyzing these relationships, the study aims to provide actionable insights for marketers, policymakers, and industry stakeholders to promote and sustain the handloom textile sector amidst globalization.

2. Literature Review

2.1 Consumer Ethnocentrism and Its Role in Purchase Intentions

Consumer ethnocentrism (CE) is defined as a belief in the superiority of domestic products and the moral obligation to purchase them instead of imported goods (Shimp and Sharma, 1987). Ethnocentrism has been shown to positively influence purchase intentions for culturally significant goods, particularly in developing countries where domestic industries often struggle to compete with global brands (Bandyopadhyay and Banerjee, 2020). In the case of handloom textiles, CE fosters loyalty toward locally crafted products, as consumers perceive them as embodiments of national pride and cultural identity (Raj et al., 2024).

2.2 Perceived Quality as a Mediator

Perceived quality refers to a consumer's evaluation of a product's excellence or superiority, often influenced by its functional and aesthetic attributes (Zeithaml, 1988). For handloom textiles, factors like craftsmanship, authenticity, and durability are central to perceptions of quality (Khare and Sadachar, 2017). Studies suggest that perceived quality mediates the relationship between ethnocentrism and purchase intentions by enhancing consumer confidence and satisfaction with domestic goods (Balabanis and Diamantopoulos, 2004).

2.3 Consumer Attitudes toward Handloom Textiles

Consumer attitudes, defined as emotional and cognitive evaluations of a product, significantly influence purchase behavior (Raj et al., 2024). Positive attitudes toward handloom textiles are shaped by their cultural symbolism, ethical production processes, and aesthetic appeal. These attitudes often mediate the impact of ethnocentrism on purchase intentions, making them a critical factor in understanding consumer decisions (Raj et al., 2023).

3. Research Objectives & Hypothesis Development

3.1 Objectives

1. To assess the impact of consumer ethnocentrism on purchase intentions for handloom textiles.
2. To examine the mediating roles of perceived quality and consumer attitudes.
3. To provide actionable recommendations for marketers and policymakers to sustain the handloom sector.

3.2 Hypotheses

- **H1**: Consumer ethnocentrism positively influences purchase intentions for handloom textiles.
- **H2**: Perceived quality mediates the relationship between consumer ethnocentrism and purchase intentions.
- **H3**: Consumer attitudes mediate the relationship between consumer ethnocentrism and purchase intentions.

4. Research Methodology

4.1 Research Design

This study employs a descriptive, cross-sectional design to investigate the relationships between consumer ethnocentrism, perceived quality, consumer attitudes, and purchase intentions. A structured questionnaire was developed to collect data from respondents, and validated scales were used to measure the constructs of interest. The study followed the positivist paradigm, which emphasizes objective measurement and hypothesis testing.

4.2 Sample and Data Collection

4.2.1 Sampling Method

A multistage sampling approach was used, starting with stratified sampling based on gender, age, and income to ensure diversity. Convenience sampling was then employed to collect data from malls, artisan fairs, and online platforms.

4.2.2 Sample Size

The final sample size was 380 valid responses, ensuring adequate statistical power for SEM (Structural Equation Modeling) based on Cohen's (1992) guidelines.

4.2.3 Measurement Tools

- **Consumer Ethnocentrism** (CETSCALE by Shimp and Sharma, 1987): 10 items measuring beliefs about the superiority of domestic goods.
- **Perceived Quality** (Zeithaml, 1988): 4 items measuring perceptions of craftsmanship, durability, and authenticity.
- **Consumer Attitudes** (Raj et al., 2024): 5 items capturing emotional and cognitive evaluations.
- **Purchase Intentions** (Khare et al., 2021): 4 items assessing the likelihood of future purchases.
- Consumer Attitudes (Raj et al., 2024).
- Purchase Intentions (Khare et al., 2021).

4.3 Data Analysis Tools

- **Exploratory Factor Analysis (EFA):** Conducted to identify underlying constructs and validate measurement scales.
- **Structural Equation Modeling (SEM):** Used to test hypotheses and analyze relationships among variables.

4.4 Data Cleaning and Validation

Data cleaning involved removing incomplete responses. Sampling adequacy was tested using the **Kaiser-Meyer-Olkin (KMO)** value of 0.87, and Bartlett's test of sphericity was significant ($p < 0.001$).

5. Analysis and Findings

5.1 Descriptive Statistics

The demographic profile of respondents highlights the diversity of the sample across gender, age, and income groups.

Table 1: Demographic Profile of Respondents

Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	200	52.6%
	Female	180	47.4%
Age Group	18–30	150	39.5%
	31–45	130	34.2%
	46–60	100	26.3%
Monthly Income (INR)	<50,000	160	42.1%
	50,000–1,00,000	140	36.8%
	>1,00,000	80	21.1%

Source: Author's Data Analysis (2025)

Interpretation:

The sample consisted of 52.6% males and 47.4% females, ensuring a balanced representation of gender. The majority of respondents (39.5%) belonged to the age group of 18–30 years, indicating a strong participation from younger urban consumers. Additionally, 42.1% of respondents reported a monthly income of less than ₹50,000, reflecting a diverse income distribution. These demographics highlight the relevance of the findings to a wide range of consumer groups in urban Delhi.

5.2 Exploratory Factor Analysis (EFA)

Exploratory Factor Analysis (EFA) was conducted to identify the underlying constructs in the dataset. The analysis confirmed the presence of four distinct factors: consumer ethnocentrism, perceived quality, consumer attitudes, and purchase intentions.

Table 2: EFA Results

Construct	Items	Cronbach's Alpha	Variance Explained (%)	Factor Loading Range
Consumer Ethnocentrism	5	0.85	22%	0.65–0.82
Perceived Quality	4	0.88	18%	0.67–0.84
Consumer Attitudes	5	0.81	16%	0.63–0.80
Purchase Intentions	4	0.87	16%	0.70–0.85

Interpretation:

The reliability of the constructs was confirmed with Cronbach's alpha values exceeding 0.80 for all factors, indicating high internal consistency. The four factors together explained 72% of the total variance, suggesting that the model effectively captures the key dimensions of consumer behavior. Factor loadings ranged from 0.63 to 0.85, confirming that all items strongly represented their respective constructs.

5.3 Structural Equation Modelling (SEM)

Structural Equation Modelling (SEM) was performed to test the hypothesized relationships and evaluate the overall model fit.

Model Fit Indices:

- **Chi-Square/Degrees of Freedom (χ^2/df):** 2.36

- **Comparative Fit Index (CFI):** 0.94
- **Tucker-Lewis Index (TLI):** 0.92
- **Root Mean Square Error of Approximation (RMSEA):** 0.05

Table 3: SEM Path Analysis Results

Path	Standardized β	p-value	Significance
CE → PI	0.48	<0.001	Significant
CE → PQ → PI	0.25	<0.01	Significant
CE → CA → PI	0.31	<0.01	Significant

Interpretation:

The SEM model demonstrated an excellent fit to the data, as indicated by the fit indices (CFI = 0.94, RMSEA = 0.05). Consumer ethnocentrism (CE) had a direct positive impact on purchase intentions ($\beta = 0.48$, $p < 0.001$). Additionally, CE influenced purchase intentions indirectly through perceived quality ($\beta = 0.25$, $p < 0.01$) and consumer attitudes ($\beta = 0.31$, $p < 0.01$). These results confirm the hypothesized relationships and highlight the mediating roles of perceived quality and consumer attitudes in the CE–PI relationship.

6. Discussion and Implications
6.1 Key Findings

1. **Consumer Ethnocentrism as a Primary Driver**: The findings confirm that CE significantly influences purchase intentions for handloom textiles. This aligns with previous research suggesting that ethnocentric consumers prioritize domestic products due to cultural pride and economic considerations (Shimp and Sharma, 1987; Raj et al., 2024).
2. **Role of Perceived Quality**: Perceived quality mediates the relationship between CE and purchase intentions, emphasizing the importance of attributes such as craftsmanship, durability, and authenticity in influencing consumer behaviour (Zeithaml, 1988).
3. **Impact of Consumer Attitudes**: Positive attitudes toward handloom textiles amplify the effect of CE on purchase intentions, highlighting the role of emotional and cognitive evaluations in shaping consumer behaviour.

6.2 Practical Implications

1. **Marketing Strategies**:
   - **Cultural Storytelling**: Brands should emphasize the cultural and historical significance of handloom textiles through storytelling campaigns, highlighting their heritage and craftsmanship.
   - **Quality Assurance**: Promoting quality certification programs, such as the "Handloom Mark," can enhance consumer trust and confidence in the authenticity of the products.
2. **Policy Recommendations**:
   - **Subsidies and Incentives for Artisans**: Policymakers should provide financial and infrastructural support to artisans to sustain production and improve competitiveness.
   - **Awareness Campaigns**: Government-led initiatives should promote the socio-economic and environmental benefits of handloom textiles to foster consumer awareness and demand.

6.3 Future Recommendations

1. **Longitudinal Studies**: Future research could adopt longitudinal designs to track changes in consumer behavior over time and assess the long-term impact of marketing and policy interventions.

2. **Exploration of Additional Moderators**: Variables such as environmental consciousness, price sensitivity, and brand loyalty could be explored as potential moderators in the CE–PI relationship.

3. **Cross-Cultural Comparisons**: Expanding the study to include consumers from rural regions or international markets could provide a broader perspective on consumer behavior toward handloom textiles.

6.4 Limitations

1. **Geographical Scope**: The study is limited to urban consumers in Delhi, which may restrict the generalizability of the findings to other regions.

2. **Self-Reported Data**: Reliance on self-reported data introduces the potential for response bias, as participants may overreport socially desirable behaviors.

3. **Cross-Sectional Design**: The study's cross-sectional nature limits its ability to capture changes in consumer behavior over time.

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