Effect of Consumer Ethnocentrism on Willingness to Buy Local Products in Indonesia

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Abstract. The trend of globalization and advanced technology in communication that continues to increase enable consumers to access a great variety of products from other countries, because of that matter foreign products availability increases in the domestic market. It is important to examine factors that influence consumer willingness to buy, especially for consumers in Indonesia. The willingness to purchase local cosmetics items is the topic of this study. The moderating impact of consumer ethnocentrism will be looked into.. This research is a descriptive research with single cross sectional design. 335 respondents collected using purposive sampling. SEM is used in this study using SmartPLS software. As a result, consumer ethnocentrism strengthens the beneficial and important influence impact brand perception and perceived quality on consumers' willingness to buy locally produced items. On the other hand, it might accentuate the unfavorable and negligible effect of perceived price on Indonesian consumers' propensity to purchase locally produced goods.

Keywords: Consumer Ethnocentrism, Perceived Quality, Perceived Price, Perceived Brand Image, Willingness To Buy.

1 Introduction

The rapid developments that occur Researchers are more interested in studying how nation of origin affects consumer behavior as a result of the expansion of international trade and global customers worldwide and consumer perceptions of a brand (Fischer & Zeugner-Roth, 2017). Country of origin of a brand has a high influence on consumer decision making, especially when a brand mentions the country of origin of the product (Fischer & Zeugner-Roth, 2017). The trend of globalization recently shows the percentage of global production that has increased quite high, this can be seen from the data on the value of industrial imports which continues to increases, especially for the Cosmetics Industry in Indonesia in the year 2016 583.3 million US$, In 2018 850.16 million US$, and in the year 2019 803.58 million US$, but the value of Indonesia's exports was at a nominal value of 506.56 million US$ (Rizaty, 2021). Thus, the availability of foreign products becomes easier to find along with local products circulating in the market. Previous research explained that the image of A product plays a significant role in

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how consumers view a product (Heslop et al., 2008). A good or bad perception of a country is also related to the perception of products originating from that country. Due to the increasing process of globalization, foreign products have become a normal (ordinary) consumption and also have become part of people's lifestyles, especially in big cities in Indonesia. The Indonesian cosmetic industry market is also the third largest in Asia, even the Ministry of Industry Indonesia predicts that the cosmetic industry market in Indonesia can be ranked as the 5th largest in the world, if the trend continues to increase. (mediaindonesia.com, 2021). The revenue in the cosmetics segments in Indonesia continue to grow in 2016 (5,86 million US$) , 2017 (6,18 million US$), 2018 (6,53 million US$), 2019 (6,9 million US$), 2020 (6,95 million US$), and in 2021 (7,45 million US$). This indicates that the sales of cosmetics in Indonesia continues to grow from year to year (bisnisindonesia.id, 2021). Indonesian skin care brands continue to increase in 2018 until now (Sanjaya, 2018) the increases seen from the quality of the products offered by local skin care has been getting better and the ingredients that are used in the skin care products are natural ingredients. Natural ingredients are now one of the trends Indonesians are looking for in skin care products as they grow more mindful of the use of chemical goods in their daily lives (Elfreda, 2020). Some skin care brands that have the best revenue sales in 2020 used by consumers in Indonesia are Wardah, Nature Republic, Innisfree, Emina, Purbasari, Viva, Laneige, Trulum, Garnier, and Make Over. There are 5 local skin care brands that are included in the top 10 best revenue sales in 2020 from 3 largest marketplace e-commerce in Indonesia (Tokopedia, Shopee, and Bukalapak) (Digimind.id, 2020). In addition, Deloitte consumer insight reported (Deloitte, 2020) that the majority of Indonesian consumers have a tendency to prefer local brands over foreign brands.

The occurrence of these global developments also affects economic, social, and political changes that also bring changes to consumer behavior and perceptions of products and the origin of the product (Auruskeviciene, Vianelli, & Reardon, 2012). Quite a lot of consumers choose to buy foreign products compared to domestic products because they think that imported products have better quality. This can lead to a discussion about whether there are social factors that can influence consumer choice in deciding to make a purchase.

Previous research that examined about local products discussed the readiness of customers in emerging markets to buy homegrown products. ethnocentrism in consumer behavior, perceived brand value, perceived cost, and other factors were all considered in the study product judgment, product evaluation, and animosity (Cui et al., 2012; Fernández-Ferrín et al., 2015; Souiden et al., 2018; Yen, 2018). Research on the willingness to purchase local goods in developing nations, which is influenced by ethnocentrism among consumers, perceived brand image, quality, and price, is now possible thanks to earlier studies. Brand localness may be the primary factor influencing a consumer's interest in making a purchase. (Hoskins, Verhaal, & Griffin, 2020). When they want to make purchases of local products, consumers in developing countries can also be influenced by ethnocentrism (Yen, 2018). One of the elements that may affect customer behavior is consumer ethnocentrism desires when they want to make purchases of local products. Research on consumer ethnocentrism is also very relevant to be carried out when consumers are faced with two choices, namely local products or imported products (Cui et al., 2012). The belief is that consumer ethnocentrism is understood from consumers that it is not right, inappropriate, and immoral to consume or buy foreign products, and also it can harm the economy and business in the country. In addition, the understanding of consumer ethnocentrism

influences a consumer's view of a product as well as the moral obligation to purchase local goods. (Teng, 2019).

Consumers in developing countries have a tendency to buy domestic products and have a rejection attitude towards imported products due to ethnocentrism. Therefore, there is an assumption that there is a favorable correlation between consumer ethnocentrism and the desire to purchase local goods in developing countries (Yen, 2018). Furthermore, perceived quality is also a major driver of willingness to buy local products in terms of the quality offered from these products. Value can be seen in how a product's quality is perceived by consumers to consumers by providing reasons to buy a product and also to differentiate the brand from other competing brands, for example between local products and foreign products (Asshidin, Abidin, & Borhan, 2016). The perceived quality of a product can sometimes be used as a representation of the products brand image. Consumers who have the desire to buy a local product, tend to assume that local product has high quality. Consequently, it may be predicted that for customers in emerging countries, perceived quality will have a favorable link to propensity to buy local goods (Yen, 2018). In addition to perceived quality, price is also an important factor that can influence consumers to make purchases of a product. When a local product's price is regarded to be excessively high or expensive, customers' willingness to purchase it will decline; yet, if the price is seen as acceptable, consumers' willingness to purchase local products will rise (Mannan et al., 2019; Son & Jin, 2019). Therefore, the favorable link between perceived pricing and consumer purchase intent (Mannan et al., 2019).

The consumer willingness to buy can also be influenced by the perceived brand image which is also an important factor which can influence the subjective perception of consumers when consumers see local items as having a high-quality brand, they are more likely to purchase them. (Yen, 2018). This study set out to examine and ascertain the impact of customer ethnocentrism. The impact of consumers' propensity to purchase locally manufactured goods, particularly Indonesian skin care products, on perceptions of brand image, brand quality, and pricing. The main goals of this study are to determine how consumer ethnocentrism affects the relationship between perceived quality, perceived price, and perceived brand image on willingness to purchase local skin care products in Indonesia as well as to investigate the relationship between perceived quality, perceived price, and perceived brand image on willingness to purchase local goods.

2 Methods

This study uses a single cross-sectional design and is descriptive in nature. To put the theoretical approach to the test, this study concentrated on the Indonesian market. Hence, customers in Indonesia The intended audience for the study. The sample was chosen with the help of purposeful nonprobability sampling,, which was then used in an online survey. Also, a self-administered survey was used. If the respondents had made local purchases, we questioned at the start of the questionnaire (Indonesian skin care brand) during the past three months.

A draft questionnaire was created using the previously mentioned hypotheses as well as data from earlier investigations (Souiden et al., 2018; Yen, 2018). The questionnaire's initial draft was written in English. Before distributing the questionnaire to the main exam, the author

pretested it and translated the questions into Bahasa Indonesia. The three parts of this study a pre-test, a main test, and a wording test. A wording test was undertaken to see whether the language used and the context of the questionnaire were understood (Malhotra & Dash, 2016). The wording of the survey form was evaluated, and based on the findings, it was changed to make it simpler and easier to understand. The author ran a pre-test before running the wording test (Malhotra & Dash, 2016) noted that a pre-test, which involves administering the questionnaire to a smaller sample of all responders, will be able to spot and get rid of probable issues. Using SPSS, the pretest was used to evaluate the scale's reliability and validity on a sample of 50 respondents (26.0). The findings of the analysis after using SPSS demonstrate the validity and reliability of the questionnaire's items. Also, this study used SmartPLS 3.0's to test the model's premise, use partial least square structural equation modeling (PLS-SEM).

Data for this study were gathered from April through June 2022 throughout a three-month period. 423 participants replied in all, 88 were eliminated because of missing or incomplete data, leaving 335 valid responses. The respondents' demographic profile is as follows: depicted in detail in Table 1 below. Each variable in this study was measured using a number of items, and the scores for each item were given on a five-point Likert scale, with 1 denoting "strongly disagree" and 5 denoting "strongly agree," depending on how strongly respondents agreed or disagreed with the statement. The five-item scale of perceived quality has been updated from (Erdomuş & Büdeyri Turan, 2012). Three items make up the scale of perceived price, which has been updated from Chu & Lu (2007). The scale of perceived brand image has four items and was updated from (Lien et al., 2015). The revised scale of consumer ethnocentrism has eight items and comes from Souiden et al. (2018). The scale of domestic product purchasing intentions has been updated from (Chu & Lu, 2007), which contains three items.

Table 1. Respondent Profile

Characteristic	Category	Total	Percent
Gender	Male	122	36,4%
	Female	213	63,6%
Age Group	18-24	125	37,3%
	25-37	129	38,5%
	38-54	70	20,9%
	>55	11	3,3%
Residence	Jabodetabek (Jakarta, Bogor, Depok, Tangerang, Bekasi)	147	43,9%

Characteristic	Category	Total	Percent
	Java island (non-Jabodetabek) (Bandung, Semarang, Yogyakarta, Surabaya)	101	30,1%
	Western part of Indonesia (Sumatra, Kalimantan Barat, Kalimantan Tengah)	30	9%
	Central part of Indonesia (Sulawesi, Nusa Tenggara, Kalimantan Selatan, Kalimantan Utara, Kalimantan Timur)	33	9,8%
	Eastern part of Indonesia (Papua & Maluku)	24	7,2%
Monthly Income	≤ Rp.1.000.0000	23	6,9%
	Rp.1.000.0000 - Rp.3.500.000	91	27,2%
	Rp.3.500.000 - Rp.7.000.000	133	39,7%
	Rp.7.000.000 - Rp.10.000.000	51	15,2%
	Rp.10.000.000 - Rp.15.000.000	17	5%
	≥ Rp.15.000.000	20	6%

3 Result and Discussions

3.1 Result

This study was carried out through a survey using an online questionnaire with three stages of testing (pre-test, main test, and wording test). The wording test's findings from 10 respondents provided a change of grammar due to language differences between bahasa Indonesia and English. In this study, there were five questions that were changed to different phrases to make the questions more understandable.

After the wording test, the author 50 respondents took a pretest to check the reliability and validity of all variable items before the main test. After that, SPSS version 26 was used to evaluate the data from the pretest. The outcomes of the analysis after doing the SPSS analysis revealed that the items contained in the questionnaire in this study were valid and also reliable.

The third stage, for the main-test the author distributing the questionnaires by using several social media such as Facebook, Instagram, and Whatsapp. The respondents will independently

fill out the google form link (self-administered). The data has been successfully collected for 423 respondents. However, after being screened based on the respondent's criteria, only 335 respondents were eligible for this research. The data was then analyzed descriptively and then tested utilizing Version 3.0 of SmartPLS's Analysis of measurement models and analysis of structural models to test hypotheses and examine the relationship between existing factors.

Table 2. Reliability and convergent validity

Construct	Indicator	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE
Consumer Ethnocentrism (CE)	CE1	0,806	0,911	0,928	0,619
	CE2	0,853			
	CE3	0,793			
	CE4	0,847			
	CE5	0,774			
	CE6	0,702			
	CE7	0,791			
	CE8	0,716			
Perceived Quality (PQ)	PQ1	0,979	0,990	0,992	0,960
	PQ2	0,983			
	PQ3	0,984			
	PQ4	0,986			
	PQ5	0,968			
Perceived Price (PP)	PP1	0,885	0,886	0,928	0,811
	PP2	0,886			

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	PQ2	0,983			
	PQ3	0,984			
	PQ4	0,986			
	PQ5	0,968			
	PP3	0,930			
Perceived Brand Image (PBI)	PBI1	0,857	0,873	0,913	0,723
	PBI2	0,833			
	PBI3	0,876			
	PBI4	0,835			

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	PQ3	0,984			
	PQ4	0,986			
	PQ5	0,968			
Willingness To Buy Local Products (WTB)	WTB1	0,811	0,754	0,859	0,669
	WTB2	0,842			
	WTB3	0,800			

Internal consistency reliability and indication reliability are what define how reliable the constructions are. To be able to see the value of Internal consistency reliability, it can be known by evaluating the value of Cronbach's Alpha and also the value of composite reliability obtained from the results of PLS calculations. Cronbach's Alpha and composite reliability have standard values of 0,6 – 0,7 (acceptable reliability), but if the value of the reliability shows a value of 0,7 – 0,9 then the reliability of the variable is satisfactory (Hair et al., 2017). In this study, as can be

seen in table 2 above, all variables in this study have reached a satisfactory reliability value. For instance, the combined reliability rating for Consumer Ethnocentrism = 0,928, Perceived Quality = 0,992, Perceived Price = 0,928, Perceived Brand Image = 0,913, Willingness to Buy Local Products = 0,859. Therefore, it demonstrated good internal consistency reliability.

Next, to the test of convergent validity of this study. The function of this analysis is to find out that the measuring instrument used in this study is positively correlated with the measuring instrument of the same construct (Hair et al., 2017). Convergent Validity is used to see indicators of validity which can be seen from the loading factor value in this study. The limit value of the loading factor in this study is more than > 0,7 so it can be declared valid (Hair et al., 2017). In addition, to see convergent validity, it can also be seen by looking at the value of the AVE (Average Variance Extracted). If the standard value of the AVE in this study is above > 0,5, the construct in this study has been successfully explained by the variance in the indicator (Hair et al., 2017). In this study, as can be seen in table 2 above, all variables in this study have a loading factor more than > 0,7. In addition, the all the variables value in this study is above > 0.5 which can be said that the construct in this study has been successfully explained by the variance in the indicator (Hair et al., 2017).

Table 3. Discriminant validity (Fornell-Larcker criterion)

	Consumer Ethnocentrism (CE)	Perceived Brand Image (PBI)	Perceived Price (PP)	Percieved Quality (PQ)	Wliingness to Buy Local Products (WTB)
CE	**0,787**				
PBI	0,484	**0,850**			
PP	-0,444	-0,351	**0,901**		
PQ	0,312	0,425	-0,031	**0,980**	
WTB	0,524	0,611	-0,276	0,406	**0,818**

According to discriminant validity, a construct is distinct or special from others in the model. It was advised to apply the Fornell-Larcker criterion (Hair et al. 2017) to determine the discriminant validity of latent variables (Ringle, Wende, & Becker, 2015). If the square root of the AVE for any given latent variable is greater than other correlation values for any other construct, look for discriminant validity, as shown by (Fornell & Larcker, 1981). As can be

shown in tables 3 and 2, the AVEs' square roots that were greater than the off-diagonal correlations were successful in obtaining acceptable discriminant validity. Table 2 shows that each construct has a square root (Average Variance Extracted) AVE value that is higher than that of the other constructs. Based on the Fornell-Larcker criterion, it can be said that the measurement model used in this study has good discriminant validity.For instance, the cross-loadings for the variable "Consumer Ethnocentrism" in the Fornell-Larcker Criteria Analysis (table 3) had a square root of 0,787 and had an AVE of 0,619 (from table 2 above). 0,787 exceeded the correlation values in its column as stated, as was the case (-0,444, 0,312 0,484, 0,524).

Table 4. Path coefficient

Hypothesis	Original Sample	T-statistic	P-value	Result
H1: Consumer Ethnocentrism (CE) -> Willingness to Buy Local Products (WTB)	0,188	2,149	0,032	Supported
H2: Perceived Quality (PQ) -> Willingness to Buy Local Products (WTB)	0,109	2,348	0,019	Supported
H3: Perceived Price (PP) -> Willingness to Buy Local Products (WTB)	-0,005	0,085	0,933	Not Supported
H4: Perceived Brand Image (PBI) -> Willingness to Buy Local Products (WTB)	0,436	8,292	0,000	Supported

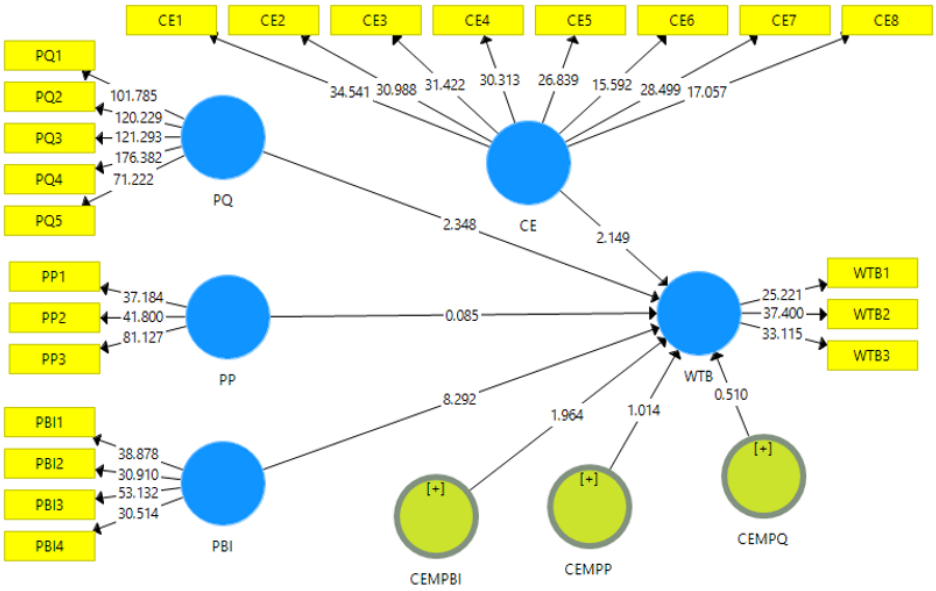

Fig. 1. PLS bootstrapping

According to (Hair et al., 2017) In this work, a structural model called the structural model (inner model) was employed to observe and forecast the interaction between variables. The outcomes of the path coefficient test, hypothesis testing, and R square test used to evaluate the model will be explained in this paper. To determine how strongly the effects or influence of the independent variable are related to the dependent variable, evaluate the path coefficient. In the meanwhile, coefficient determination or (R-square) is used to measure and see how many variables are influenced by other variables (Eisingerich & Rubera, 2010). Therefore, by going through the bootstrapping process, testing the path coefficient, and also testing the hypothesis as measured by the T-statistical test parameters obtained to predict and see the causal relationship between variables. By examining the proportion indicated in the R square value for the dependent variable, the inner model can be assessed.

Figure 1 and table 4 above shows the results of formative factor analysis using a bootstrapping algorithm with 500 subsamples. As the data presented above shows the value of the outer weight for each observed variable on the affected latent variable. The structural model in this study can be seen in Figure 1 with the PLS bootstrapping results display. The procedure of bootstrapping is to generate t-statistic values on each relationship path used to test the hypothesis in this study. After that, the value of the t-statistic will be compared with the value in the t-table. According to (Malhotra & Dash, 2016) research that has a one-tail hypothesis, then uses the standardization of the t-value, namely t $\geq$ 1,645. In this study, the t-table value that will be used is the t-table 1.645. The significance of the strength of the association between the variables in this study can also be seen using the p-value. The level of significance utilized in this study is 0,05, which indicates that if the p-value is less than 0,05, the exogenous variable has a substantial impact on the endogenous variable. It can be inferred that the current relationship is more significant if the value is decreasing.

The result of the bootstrapping at table 4, the hypothesis 1 in this research supported because Table 4 demonstrates a significant the t-statistic value of the link between customer ethnocentrism and propensity to buy local goods indicates 2,149, t-table value of 1,645, and p-value of 0.032 0.05.The original sample value for this hypothesis is 0,188 which is a positive value. So it can be concluded that Consumer Ethnocentrism has a positive and significant influence on Willingness to Buy Local Products. This relationship is also proven by previous research that consumer ethnocentrism has a significant and positive relationship towards willingness to buy local products (Hamin & Elliott, 2006, Yen, 2018; Zunjur & Cajetan, 2016). Hypothesis 2 in this research is supported because The relationship between propensity to buy locally produced goods and perceived quality has a t-statistic value of 2,348 t-table value 1,645, p-value 0.019 0.05, indicating that a strong correlation exists between the two variables The original sample value for this hypothesis is 0,109 which is a positive value. So it can be concluded that Perceived Desire to Purchase Local Goods is significantly and positively influenced by quality. Perceived quality has a large and favorable association with perceived quality, as demonstrated by earlier research towards willingness to buy local products (Janany & Shivany, 2017; Yen, 2018). Next, So, it can be stated that the perception of a brand has a favorable and considerable impact on consumers' inclination to purchase local goods. Other studies have also demonstrated this connection, showing that propensity to purchase locally produced goods is significantly and favorably related to perceptions of brand image. (Kumar et al., 2009; Li et al., 2021; Yen, 2018).

Table 5. The result of the moderating effect

Hypothesis	Relationship	T-Statistic	P-Values	Moderating effect
H5: Consumer ethnocentrism (CE) moderates the relationship between perceived quality (PQ) and the willingness to buy local products (WTB).	PQ*CE -> WTB	0,510	0,610	Not Supported
H6: Consumer ethnocentrism (CE) moderates the relationship between perceived price (PP) and the willingness to buy local products (WTB).	PP*CE -> WTB	1,014	0,311	Not Supported

Hypothesis	Relationship	T-Statistic	P-Values	Moderating effect
H7: Consumer ethnocentrism (CE) moderates the relationship between perceived brand image (PBI) and the willingness to buy local products (WTB).	PBI*CE -> WTB	1,964	0,048	Supported

Based on the research output, it can be concluded that for hypothesis 5 with a t-statistic value of 0.510 ≤ t-table value of 1.645 and p-value of 0.610 ≥ 0.05, which means that this hypothesis is not significant and indicates that perceived quality has no effect on the propensity to purchase regional goods via the moderating influence of consumer ethnocentrism. Consumer ethnocentrism has little impact on the correlation between propensity to purchase locally produced goods and perceived product quality. Thus, hypothesis H5 is not supported. For hypothesis 6 with a t-statistic value of 1,014 ≤ t-table value of 1.645 and p-value of 0,048 ≥ 0.05, which means that this hypothesis is not significant and indicates that perceived price has no effect on the propensity to purchase regional goods via the moderating influence of consumer ethnocentrism. Consumer ethnocentrism as a variable had little impact on the association between propensity to purchase locally produced goods and perceived pricing. Thus, hypothesis H6 is not supported. For hypothesis 7 with a t-statistic value of 1,964 ≥ t-table value of 1,645 and a p-value of 0,048 ≤ 0,05, This confirms the significance of this hypothesis and shows that customer ethnocentrism acts as a moderating factor in the relationship between perceived brand image and propensity to purchase local goods. The association between perceived brand image and propensity to buy local goods is influenced by the customer ethnocentrism variable. Thus, hypothesis H7 is supported.

3.2 Discussion

Some significant findings from this investigation have been made. The study first revealed that the inclination of Indonesian consumers to buy local items is positively correlated with consumer ethnocentrism. This result is in line with research by Wang and Chen (2004), who found that consumers who identify as ethnocentric in developing nations are more likely to purchase goods created nearby. Because the country of origin and customer ethnocentrism both influence regional product preferences, this finding also applies to industrialized countries. However in emerging countries, the perception of quality and brand image helps to decrease the impact of ethnocentrism. (Wang & Chen, 2004). This leads us to the conclusion that ethnocentric customers are more inclined to favor locally produced goods over those imported from developed nations provided those goods are of excellent quality and have a solid brand reputation. Consumer ethnocentrism is therefore crucial for customers in developing country. As a result, consumers can choose fewer imports and buy more locally produced goods. Second, the study supported the notion that propensity to purchase locally produced goods is strongly correlated with perceived brand image and quality. The combination of this finding with earlier

research (Asshidin et al., 2016; Shimp & Sharma, 1987) demonstrated that perceived brand image and perceived quality are significant determinants of propensity to purchase local goods.

We can therefore draw the conclusion that perceived brand image and quality have a favorable impact on purchasing intentions. Third, the correlations mentioned above may be affected by customer ethnocentrism Customer The interactions in the suggested model for brand perception and propensity to purchase local goods were found to be significantly moderated by ethnocentrism. When a buyer's ethnocentrism is high, a higher association between perceived brand image and tendency to buy local items exists. This result is in line with Sharma et al(1995) .'s research, which showed that consumer ethnocentrism can cause consumers to overestimate the advantages and general quality of local products while underestimating the quality of imported goods. In other words, if local items are perceived to be of exceptional quality or have a positive brand image, high ethnocentric consumers may be more inclined to buy them. So, this study offered proof in favor of the hypothesis that customer ethnocentrism can strengthen the favorable effects of perceived brand image on Indonesian consumers' propensity to buy products created locally. On the other side, consumer ethnocentrism may increase the adverse impact of perceived price on willingness to purchase local goods.

4 Conclusion

This study aimed to investigate the effects of customer ethnocentrism on attitudes toward product brand image, quality, and price as well as propensity to purchase locally produced goods. local, especially when it comes to Indonesian skin care products. Consumers in Indonesia provided the information for this study's data collection. Consumer ethnocentrism, perceived brand image, and perceived quality are all supported by this study are the three key antecedents that affect Indonesian consumers' propensity to purchase locally produced goods. This study has two contributions as a result. First of all, this study supports the theoretical theory that the tendency to buy local items is highly influenced by perceived brand image and quality. We can therefore conclude that perceptions of brand image and quality have a significant impact on consumers' propensity to purchase local goods. This study also supports the idea that consumer ethnocentrism alters the effect of perceived brand image on willingness to purchase local products in a positive way. In light of the moderate impact of consumer ethnocentrism on the willingness to purchase local products, this study expanded the idea of consumer ethnocentrism. Second, from a practical perspective, this study found that perceived brand image and perceived quality had a significant impact on consumers' willingness to purchase local products. As the moderator variable, ethnocentrism appears to have an impact on perceived brand image. Therefore, an essential question for practitioners in developing nations like Indonesia is how to enhance the local product perceptions of brand, price, and quality to support customer ethnocentrism. According to research by Hamin et al. (2014), manufacturers in developing nations like India, China, and Russia are more likely to offer extra and upgraded technologies like GPS and in-car internet. Although the utility value of these characteristics is relatively modest, it is favorable for the nation's ethnocentrism. Another illustration example: Taiwan-based smartphone manufacturer HTC has improved its model lineup to increase phone quality and draw Taiwanese buyers (Yen et al., 2018).

Similarly, Indonesian skin care has upgraded their ingredients and the consumer in Indonesia has grown increasingly conscious of how chemical items are used in their daily life. One of the current trends Indonesians are seeking for in skin care products are natural components. (Elfreda, 2020). Local skin care brands starting to have the awareness to build a brand that has a community, establishing a community on social media platforms like Instagram, Twitter, and TikTok, for instance, can help businesses keep in touch with their customers. By using this platform, consumers can share their experiences with a product and also provide recommendations for products to new potential customers (Compas, 2021). Another marketing strategy that a company can do is to collaborate with micro-influencers. Micro-influencers are a term for those who can have an impact on the brand even though they don't have million followers on their social media. For example, local brand Scarlett collaborates with micro-influencers on the TikTok platform by reposting content about their products uploaded by these influencers. Some of these marketing strategies were successful and can increase the sales of local brands.

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