Ljubljana to Tokyo: Understanding Drivers of Young-Adult Consumer Innovativeness and the Role of Regionalism in Eastern Europe and East Asia[*1]

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Globalization has caused consumer behavior to transcend country borders, leading to often larger within-market consumer differences than between-market consumer differences. Yet, this is not at all the case among young-adult consumers (in their 20 s) believed to be at the forefront of globalization and acculturation. Comparing drivers of consumer innovativeness in matched samples across four countries in Eastern Europe (Slovenia, Croatia) and East Asia (China, Japan), we find that consumer innovativeness is determined by quality consciousness, information utilization and price consciousness. Consumer ethnocentrism does not play a role. While country-level difference do not matter, regional differences do in driving consumer innovativeness of young-adult consumers. Further, gender does not have an impact on consumer innovativeness among young-adult consumers in our sample. However, some gender-based consumer decision-making differences do appear between the two regions providing evidence of gender-based consumer decision-making archetypes at the regional level. Our results hold important implications for international marketers and business people. We propose a specific two-step process for developing semi-global business strategies and discuss the role consumer innovation-based segmentation plays in their development.

Keywords: Young-adult consumers, consumer innovativeness, consumer decision-making styles, consumer ethnocentrism, Eastern Europe, East Asia.

1. INTRODUCTION

Globalization has caused consumer behavior to transcend country borders (Levitt 1983), leading to often larger within-market consumer differences than between-market consumer differences (Taras/Steel/Kirkman 2016; Hofstede/Steenkamp/Wedel 1999). Within the consumer-product nexus, this calls on international business and particularly marketers to switch more towards customer-centric approaches within international business (Riefler/Diamantopoulos/

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Siguaw 2012). Within international marketing, such approaches offer possibilities for more effective segmentation and to target specific supra-national consumer segments (Steenkamp/Hofstede 2002). While the literature on sociology of globalization suggests the emergence of so-called global consumer generations transcending country boundaries (Bech/Beck-Gernsheim 2009), the question remains if such transnational consumer segments are still regionally bound? Empirical evidence from the consumer behavior literature (Douglas/Craig 2011), international business (Rašković et al. 2016), psychology and sociology (McCrae/Terracciano/De Fruyt et al. 2010) seems to suggest this, even in the face of ever increasing global convergence and industry transnationalism.

According to the psychology of globalization literature, globalization processes differently impact various generational cohorts (Arnett 2002). As a specific generational cohort, young adults (which in our study include people in their 20s) are a particularly susceptible consumer group to globalization and consumer acculturation processes (Berry 2008; Arnett 2002). This is due to their exposure to popular culture, media and a common world language, as well as personal intercultural contact (Cleveland/Rohas-Mendez/Laroche/Papadoulos 2016). It is because of this young adults have been often nicknamed "citizens of the world" (Strizhakova/Coulter/Price 2012).

Rapid technological advancement, shorter product life cycles and overall market saturation put growing supply-side "pressures" on consumers and their decision making. They are increasingly under "pressure" to adopt new types of products and technology, or simply switch between products and/or brands (Tellis/Yin/Bell 2009). Others might simply want to "spice up" their lives by pursuing variety seeking behavior (McAlister/Pessemier 1982), or express their creativity (Hirschman 1980). Young adults in particular engage in greater degree of consumer experimentation, as part of social learning and social identity building (Gentina/Butori/Rose/Bakir 2014). This links with the concept of consumer innovativeness, defined as "the predisposition to buy new and different products and brands rather than remain with previous choices and consumption patterns" (Steenkamp/Hofstede/Wedel 1999: 56). But why is it such an important segmentation criterion? It helps international firms understand factors determining success of innovations and/or new types of products (Kaushnik/Rahman 2014). These might be new to *a* specific market (relevant for international business and international marketing), or generally new to *the* market (relevant for marketers and developers).

Young-adult consumers display higher levels of consumer innovativeness than other consumer demographic cohorts (Steenkamp/Hofstede/Wedel 1999). However, is *age* really the universal determinant of young-adult consumer innovativeness across markets? Steenkamp et al. (1999) make an explicit link between consumer innovativeness and consumption patterns in their definition. Douglas

and Craig's (2011) seminal work on *glocal* consumer identities – calling for semi-global marketing strategies and regional variations in consumer cultures (Merz/He/Alden 2008) – further provides compelling arguments.

While globalization may have blurred the differences between markets, regional variations may still exist in consumer behavior; particularly between Europe and Asia (Lamour/De La Robertie 2016). Some recent evidence on young-adult consumers in Europe and Asia o seems to suggest this (Rašković et al. 2016).

The purpose of this paper is to test the impact of specific consumer decision-making styles (CDMS), consumer ethnocentrism and country/regional backgrounds as determinants of *innate* (personal) consumer innovativeness (Bartels/Reinders 2011) for fast moving consumer goods (FMCGs) among young-adult consumers (in their 20 s). Using matched university student samples from Slovenia and Croatia (Eastern Europe) and China and Japan (East Asia), we test these determinants within and across two specific regional contexts. Such studies are rare (Rašković et al. 2016), but are becoming increasingly relevant with exponential growth in trade between East Asia and Eastern Europe (seen as untapped potential).

Our research extends not just the empirical, but also the theoretical work of Rašković et al. (2016). Empirically, it provides a more balance within- and between-region data sets by comparing China and Japan (East Asia) with Slovenia and Croatia (Eastern Europe). While Rašković et al. (2016) focused primarily on country-level differences, which they connected to national culture characteristics, this paper focuses on within- and between-region differences. Lastly, while Rašković et al. (2016) employed simple descriptive analysis of mean scores and looked at quartile distributions, the analyses in this paper test mean score differences with ANOVA and further test the impact of specific determinants of consumer innovativeness with OLS regression; thus testing causality.

Our study contributes to a better understanding of young-adult consumer behavior across regional contexts, which has important implications for the development of so-called *semi-global* business and marketing strategies (Douglas/Craig 2011). By focusing on the determinants of consumer innovativeness across countries (Tellis/Yin/Bell 2009), we aim to provide international managers information for more effective business strategies, in particular better segmentation and more effective marketing strategies (Riefler/Diamantopoulos/Siguaw 2012). Understanding the factors influencing young-adult consumers' propensity to try out different products and/or brands, thus altering their consumption patterns, has important implications also for economic policy makers and market regulation. In all four countries, the share of final consumption is well over 50% of their respective GDPs. Young-adults are a particularly important consumer cohort, since they are still developing their (consumer) identities and engage in social learning (Carpenter/Moore/Doherty/Alexander 2012). Yet, they have an im-

portant influence on their entire households' consumption patterns (Grant/Waite 2003). China and Croatia can be considered as catch-up markets. Our research thus provides insight into young-adult consumer behavior from emerging markets which is lacking (Strizhakova et al. 2012). Our research makes also an empirical contribution in terms of studying young-adult consumer behavior in non-Western markets (Strizhakova et al. 2012), as well as linking micro-level and macro-level research in emerging markets (Puślecki/Trąpczyński/Staszków 2016).

2. THEORETICAL FRAMEWORK

2.1 Consumer innovativeness and consumer ethnocentrism

In a study of over 3,280 consumers in 11 EU countries Steenkamp et al. (1999: 59) established a "basic incompatibility between [consumer] ethnocentrism and innovativeness" which is further amplified by the level of collectivism as a cultural dimension. They explain the underlying mechanism behind this incompatibility through Appaduarai's (1990) five paths of global diffusion, where ethnocentrism limits the inflow of people, technologies, finance, ideas and/or media from abroad. The negative relationship between the two has also been established indirectly through the mechanisms of nostalgia and cosmopolitanism. Nostalgia implies greater orientation towards the past and anxiety towards the future, becoming more uncertain with changes (Holbrook 1993). Cosmopolitanism includes not only a cultural openness, but also willingness to try unfamiliar products (Bartsch/Riefler/Diamantopoulos 2016).

The negative relationship between consumer innovativeness and ethnocentrism has also been implicitly introduced through the role of various consumer demographic characteristics – namely a negative connection between consumer innovativeness and age (Steenkamp et al. 1999; Hofstede et al. 1999; Tellis et al. 2009; Bartels & Reinders 2011; Kaushnik/Rahman 2014). Consumer ethnocentrism on the other hand, is believed to be positively connected to age; particularly via nostalgia and risk taking (Shim/Sharma 1987; Cleveland/Laroche/Papadopoulos 2009).

Research hypothesis 1:   Consumer ethnocentrism has a negative impact on consumer innovativeness.

2.2 The role of consumer decision-making styles

The link between CDMS and consumer innovativeness can be established by understanding the concept of consumer innovativeness itself. Steenkamp et al. (1999: 56) don't just link it to product and/or brand switching predispositions, but also as departure from "previous choices and consumption patterns". The most explicit link between CDMS and consumer innovativeness has been made

by Mishra (2015), focusing on the so-called sensory aspects of consumer inno-vativeness. This is based on previous work by Hirschman (1984) on experience seeking, and the link between consumer innovativeness and shopping styles by Park, Yu and Zhou (2010). According to Mishra (2015: 38) "sensory innovators have a predisposition to make decisions based on their holistic evaluations of the differences between products" where specific CDMS come into play as underly-ing mechanisms of such evaluations.

Sproles and Kendall's (1986) original CSI typology itself also provides a link between CDMS and consumer innovativeness, with the latter being close to their novelty consciousness (although they link it also with fashion consciousness). A further more implicit link has also been made in Rogers' (2003) conceptualiza-tion of innovation diffusion, albeit in a broader social context where such con-text shapes market acceptance among consumers.

Research hypothesis 2:   CDMS will have an impact on consumer innovative-ness.

Given that our focus was not so much on the effects of specific CDMS on con-sumer innovativeness *per se*, but rather on cross-country and regional differ-ences as determinants of consumer innovativeness, we have deliberately re-frained from making any explicit hypotheses related to the impact of specific CDMS on consumer innovativeness (as is very socio-culturally specific).[3]

2.3 Country vs. regional differences

This last research hypothesis is the broadest and focuses on country vs. regional differences in all of our captured consumer behavior, not just in terms of deter-minants of consumer innovativeness. It is most generally based on the existence of specific regionally-based cultural clusters in cultural research and typologies carried out by, for example, Hofstede (1980), Schwartz (1994) and House, Hanges and Javidan (2004).

A direct link between regional cultural differences and economic behavior has further been made within the so-called *geonomics* literature, which has clearly established larger differences in consumer behavior across regions than within regions (Merz et al. 2008). This in turn leads to various glocal consumer identi-ties (Cleveland et al. 2016) reinforced through semi-global and *glocal* marketing strategies (Douglass/Craig 2011). In international marketing, comparing East Asian with non-East Asian consumers has been captured under the umbrella of

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3 We have also not done this, because we did not capture national culture dimension or per-sonal culture orientations in our study.

so-called "chopsticks marketing" philosophy[4] looking at the formation of business relationships and ethical decision making (see Fam/Yang/Hyman 2009).

The most direct link between regionalism and differences in CDMS has been probably established by Lamour and De La Robertie (2016), who found differences in shopping prescriptions between France and China, which they connected to regional cultural differences. It is also supported by a multi-country study of CDMS by Lysonski, Durvasula and Zotos (1996), finding not only cross-country differences, but also differences in the applicability of Sproles and Kendall's (1986) CSI in emerging markets (India, Greece) compared to developed markets (USA, New Zealand).

We believe, however, that all this can be also grounded in much broader economic sociology literature on the various types of embeddedness of consumer behavior (Zelizer, 2010). While such behavior increasingly transcends national levels (Beck/Beck-Gernsheim 2009), the question remains how regionally bounded it is.

Research hypothesis 3: *There will be larger regional differences than country differences in consumer behavior of young-adult consumers.*

3. METHODOLOGY & DATA

3.1 Methodology

In terms of our construct operationalization, we draw on established scales from the marketing literature. Consumer innovativeness has been operationalized using a 7-item reduced scale from Baumgartner and Steenkamp (1996). CDMS have been operationalized by using an adapted version of Fan and Xiao's (1998) scale (for young-adults in China), itself based on an adaptation from Sproles and Kendall's (1986) Consumer Styles Inventory (CSI). In the process of invariance analysis, *time consciousness* has been excluded from analysis (validity issues); thus we only included four CDMS in our analysis: *brand consciousness*, *price consciousness*, *quality consciousness* and *information* utilization. Consumer ethnocentrism was operationalized using Shimp and Sharma's (1987) 10-item scale. All constructs were measured on 7-point ordinal Likert-type scales.

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4 Closely related to Douglas and Craig's (2011) semi-global marketing strategies, the concept of "chopsticks marketing' relates to the analogy of eating with a pair of chopsticks, where one chopstick rests still in the hand (standardization) and the other one moves (adaptation).

Table 1: Final construct operationalization, descriptive statistics and reliability

	# Items	ANOVA		Slovenia		Croatia		China		Japan	
		F	Sig.	Mean	α	Mean	α	Mean	α	Mean	α
Consumer innovativeness	6	3.210	0.022	**4.51** (1.25)	0.80	**4.71** (1.23)	0.84	**4.70** (1.18)	0.87	**4.43** (0.97)	0.66
Consumer ethnocentrism	8	5.012	0.002	**2.76** (1.40)	0.93	**2.90** (1.34)	0.91	**2.43** (1.30)	0.94	**2.84/2.65*** (1.25)	0.93
Brand consciousness	5	8.359	0.000	**3.59** (1.10)	0.72	**3.93** (1.02)	0.73	**4.03** (1.15)	0.81	**4.00** (1.03)	0.77
Quality consciousness	5	12.422	0.000	**4.56** (1.19)	0.82	**4.90** (0.99)	0.75	**4.97** (1.08)	0.80	**4.46** (0.95)	0.68
Price consciousness	5	9.066	0.000	**4.60** (1.08)	0.66	**5.07** (1.02)	0.73	**4.69** (1.12)	0.79	**4.85** (1.01)	0.51
Information utilization	4	40.137	0.000	**3.27** (1.35)	0.73	**3.42** (1.42)	0.83	**4.42** (1.24)	0.81	**4.14** (1.24)	0.73

Notes: Average scores based on a 7-point Ordinal Likert-type scale calculated as a weighted average from factor loadings (see Appendix 1). Standard deviations shown in brackets.
*The score corresponds to a gender-weighted average composite score to take into account statistically significant differences between male and female consumer ethnocentrism in the Japanese sample and the gender structure "mismatch" within the Japanese sample compared to the other three country samples.

All questionnaires were subjected to a comprehensive translation-back translation procedures by native speakers. Given the multi-country nature of our research, invariance analysis was performed, as suggested by Steenkamp and Baumgartner (1998). Appendix 1 shows factor loadings from factor analysis and omitted items based on results from invariance analysis. Since the constructs were measured as reflective constructs, omission of specific items should not be problematic. Based on invariance testing and factor analysis, *weighted* composite variables were constructed from factor loadings for each country. These were then used as inputs for OLS regression analysis with consumer innovativeness as the dependent variable.

Table 1 summarizes the key operationalization details for our variables used in OLS regression, corresponding descriptive statistics, ANOVA mean testing results and reliability statistics. Multicolinearity diagnostics were also performed (VIF values were below critical values – in fact all below 2.0). Appendix 2 also shows Pearson's pair-wise correlation coefficients between the composite variables for each county with square roots of Average Variance Extracted (AVE) on the diagonals to address validity. We also tested for common method bias effects using Harman's single-factor approach, which didn't indicate any problems across the four country samples.

3.2 Data

Data collection took place through web-based questionnaires carried out at leading business schools in Ljubljana (Slovenia), Croatia (Zagreb), Shanghai (China) and Tokyo (Japan). We believe the use of business students to be justified, given the focus on young-adult consumers (Xu/Shimitz/Lotz/Almeida 2004). It also allows comparability with previous cross-country research of this demographic cohort (Rašković et al. 2016; Anić et al. 2016).

In terms of consumer innovativeness, the respondents were specifically asked to focus on the category of FMCGs, excluding *food items* (more subject to culturally-based tastes). Several examples of possible FMCG categories were provided for illustration (i.e. cosmetics, toiletries and soft drinks).

We used a matched sampling approach typically employed in such cross-cultural studies (Minkov 2013). Such sampling has also been used in consumer behavior studies and studies focusing on young adult consumer comparisons across countries (Peterson/Merunka 2014), or cross-cultural organizational studies (Čater/ Lang/Szabo 2013). Table 2 summarizes key characteristics of the four-country matched samples.

Table 2: Sample descriptive statistics across the four country samples

	Slovenia	Croatia	China	Japan
Sample size (n)	246	243	208	233
% of female respondents	77%	79%	69%	33.6%*
Age (year of birth)	23-24 yrs (6.5)	23-24 yrs (2.0)	21-22 yrs (1.9)	19-20 yrs (5.4)
% of undergraduates	80%	71%	82%	78%
% of urban	100%	100%	100%	100%

Note: *Keeping this in mind, the average composite score for consumer ethnocentrism in the Japanese sample was further gender-weighted to account for the gender structure "mismatch" compared to the other country samples.

The majority of respondents in Slovenia, Croatia and China were female (on average 70%), while the majority of respondents in the Japanese sample were male (66.4%). Taking this into account, we ran an independent samples t-test analysis in the case of the Japanese sample to see if there were any statistically significant differences across our weighted composite variables between the two genders (see also Table 5). Only consumer ethnocentrism came out to statistically significantly differ between male and female respondents in Japan, with the average level being much higher for males (3.03) than females (2.44) (t-test: p=0.000). This in mind, we appropriately weighted the composite variable pertaining to consumer ethnocentrism in the case of the Japanese sample.[5] This newly gender-weighted composite score for consumer ethnocentrism in Japan was then employed in subsequent regression analysis.

3.3 Limitations of the research and future research

Our research is subject to all the limitations of cross-sectional and non-probability samples. However, we would like to point out that the main aim of our research was comparative research between the countries and the two regions. Every effort has been made to ensure appropriate translations into local languages (using several rounds of translation-backtranslation in the case of the Chinese and Japanese samples). While we have tried to have the highest possible level of matching across the country samples, the gender structure in the Japanese sample included an overwhelming share male respondents (contrary to the other three samples). We tried to accommodate for this "mismatch" by testing for gender mean score differences across all of our composite variables within the Japanese sample. As a statistically significant difference was established only in

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5 If the original average weighted score for consumer ethnocentrism in the case of the Japanese sample was 2.84 (as shown in Table 1), the newly calculated gender-weighted average composite score corresponds to 2.60 (assuming 70% female respondents in the sample).

the case of consumer ethnocentrism, the composite score for this construct was further weighted to accommodate this gender structure "mismatch".

We are also aware of the latent and reflective nature of our constructs, which implies that our model could be tested as a structural equation model. However, given the complexity of the model, its many reflective indicators and the limited size of our country samples, we decided to use OLS regression instead. Despite this, we did run appropriate invariance analysis. Lastly, given the strong Confucian influence in China and Japan, it would also be useful to have tested for social desirability effects among Chinese and Japanese students, as these students might be more prone to "please their teachers" in completing surveys. Future research should keep this in mind.

Extending our research to include cultural dimensions would also be a logical research move, which would complement the current inter-regional focus of this study. However, as our research did not specifically directly measure either national dimensions or personal culture orientations (respondent burden), we did not to result to making oversimplified deductive guesses from secondary national culture scores like, for example, Hofstede's scores. Future research should remedy this to also measure personal cultural orientations of the respondents.

4. RESULTS

Table 3 presents the results of our OLS regression model, where *innate* consumer innovativeness pertaining to FMCGs was taken as the dependent composite variable, with the following composite variables included as independent variables: *consumer ethnocentrism*, *brand consciousness*, *quality consciousness*, *price consciousness* and *information utilization*. We further included *gender*, *country dummies* and an inter-regional dummy corresponding to Eastern Europe or East Asia (Region). We did not include any other demographic variables, as our samples were matched.

Model 1 includes only the main consumer behavior variables. It shows than consumer ethnocentrism doesn't have an impact on consumer innovativeness in our sample. This is supported by pair-wise correlation coefficients between the two variables, as shown in Appendix 2. Thus, hypothesis 1 cannot be confirmed. With regards to CDMS, *quality consciousness* has the strongest impact ($b=0.274$, $p=0.000$), followed by *information utilization* ($b=0.202$, $p=0.000$) and *price consciousness* ($b=0.140$, $p=0.000$), while *brand consciousness* does not have a significant impact on consumer innovativeness. Thus, hypothesis 2 can be confirmed.

Table 3: OLS regression analysis results

Dependent variable:	Model 1		Model 2		Model 3	
consumer innovativeness	*Std. b*	*Std. err.*	*Std. b*	*Std. err.*	*Std. b*	*Std. err.*
Constant		0.254		0.256		0.264
Consumer ethnocentrism	0.050	0.027	0.034	0.028	0.033	0.027
Brand consciousness	0.018	0.035	0.029	0.035	0.028	0.035
Quality consciousness	0.274***	0.035	0.266***	0.036	0.269***	0.035
Price consciousness	0.140***	0.035	0.133***	0.035	0.131***	0.035
Information utilization	0.202***	0.027	0.226***	0.029	0.227***	0.028
Gender (dummy)			-0.046	0.083	-0.051	0.080
CRO_dummy			-0.003	0.102		
CHN_dummy			-0.056	0.111		
JAP_dummy			-0.078	0.111		
EEregion (dummy)					0.076*	0.082
Adj. R-square	0.157		0.163		0.165	
df	871		867		869	
F-statistic	33.679		19.997		25.714	
Std. error of estimate	1.074		1.070		1.069	

Notes: OLS regression, based on ENTER method.
† $p < 0.1$, * $p < 0.05$, ** $p < 0.01$, *** $p = 0.000$

Including gender and country dummies, we can observe that both control variables do not have a significant impact on consumer innovativeness, as shown in Model 2. However, replacing individual country dummies with a regional dummy (Eastern Europe vs. East Asia) changes this, as shown in Model 3. The regional dummy does have a significant impact on consumer innovativeness (b=0.076, p<0.05). Thus, hypothesis 3 can be confirmed.

Table 4: Regional differences in young-adult consumer characteristics

	Eastern Europe	East Asia	t-test significance
Consumer innovativeness	4.61	4.55	NO
Consumer ethnocentrism	2.83	2.52	YES: EE > EA**
Brand consciousness	3.76	4.01	YES: EA > EE***
Quality consciousness	4.73	4.71	NO
Price consciousness	4.84	4.78	NO
Information utilization	3.35	4.27	YES: EA > EE***

Notes: † $p < 0.1$, * $p < 0.05$, ** $p < 0.01$, *** $p = 0.000$

Based on the results in Model 3, we further compared the differences in con-
sumer innovativeness, consumer ethnocentrism and CDMS between the two re-
gions, shown in Table 4. Please not that this was just a simple independent t-test
mean comparison and thus differs to the results of our regression analysis shown
in Table 3 testing for causality.

We can observe an interesting pattern which complements our regression results
(Model 3). The biggest difference can be observed with regards to *information
utilization*, where young-adult consumers in East Asia display a much higher
score. Looking at the original statements (Appendix 1) we can see that East
Asian young-adult consumers are much more confused by all the product infor-
mation and market choice, displaying a greater degree of information oversatu-
ration and market choice confusion. A highly significant difference can also be
observed when it comes to *brand consciousness*, where East Asian young-adult
consumers appear to be much more status-oriented and pay greater attention to
brands. A significant difference can also be observed for consumer ethnocen-
trism, with East European young-adult consumers displaying relatively higher
degree of consumer ethnocentrism; albeit this is generally quite low across all
country samples and doesn't impact consumer innovativeness in the regression.

5. IMPLICATIONS

5.1 Theoretical implications

Looking at the relationship between consumer innovativeness and consumer eth-
nocentrism the general belief that the two are directly negatively connected may
be true across different consumer demographic cohorts, but not when it comes to
young-adult consumers. Our evidence suggests that cosmopolitanism (Riefler et
al. 2012), social learning (Carpenter et al. 2012) and social belongingness (Gen-
tina et al. 2014) may play a much more important role.

Looking at the impact of CDMS on consumer innovativeness, our evidence
shows a direct link between the two. We believe this supports Mishra's (2015)
position on sensory aspects of consumer innovativeness and Hirschman's (1984)
link between CDMS and consumer innovativeness through experience seeking
(especially relevant for young-adult consumers). This is believed to be especial-
ly important among young adults (Hirschman 1980). More specifically, looking
at different CDMS, it appears that quality-related evaluations and information
utilization/processing seem to have the strongest impact on consumer innova-
tiveness. We believe this shows that while young-adult consumers do seek the
excitement of trying out new products and/or brands and pursue social learning,
they do this within a surprisingly functionalistic consumer mindset (taking into
account both quality and price aspects). This might be a result of a limited bud-
get, yet autonomous consumer behavior and an inclination to express themselves
and show group belongingness through consumption (Gentina et al; 2014).

A strong importance of information utilization/processing on the other hand supports both the importance of social learning (Carpenter et al. 2012), as well as the role information plays in consumer innovativeness (Clark/Goldsmith 2006).

In terms of country vs. regional differences, our research shows a mixed impact of CDMS on consumer innovativeness inter-regionally. While further research is needed, this may be a result of some CDMS having a universal functionalistic impact on consumer innovativeness (quality and price consciousness), while other CDMS seem to be more regionally contingent (brand consciousness and information utilization). Our results thus provide a partial support on Beck and Beck-Gernsheim's (2009) conceptualization of global consumer generations, which are more in line with *glocal* consumer generations (Douglas/Craig 2011).

Our results also complement previous work by Lamour and De La Robertie (2016) and Lysonski et al. (1999), which emphasized the importance of only country-level differences. While our results may appear to negate previous cross-cultural work by Steenkamp et al. (1999) and Tellis et al. (2009), which established the importance of national culture, we believe they in fact complement it, since both studies surveyed various demographic cohorts of consumers, while ours focuses only on young-adult consumers.

What surprised us more is the role gender starts playing at the regional level. Our results suggest that while among young-adult consumers gender does not have an impact on consumer innovativeness drivers, and is not particularly important in terms of CDMS differences at the individual country level, specific patterns of gender-CDMS archetypes seems to influence consumer innovativeness at the regional level in our study. This shows a strong social embeddedness of consumer behavior which draw more on the sociology literature.

5.2 Managerial implications

5.2.1 Marketing implications

Our research shows that when it comes to young-adult consumers the level of consumer innovativeness is an important segmentation criterion (Riefler et al. 2012), since consumer-behavior characteristics matter more than country-based characteristics when it comes to young adults. While we did not measure national culture dimensions or personal culture orientations, our results do show that consumer innovativeness is determined by regional backgrounds, not country.

This is to an extent logical, given that young-adult consumers display a high propensity towards global consumer acculturation (Carpenter et al. 2012) and citizenship (Strizhakova et al. 2012), and can also be treated as a sort of global consumer generation (Beck/Beck-Gernsheim 2009). In terms of the link between consumer innovativeness and specific CDMS, our results show that *quality consciousness* and *information utilization* play a much more important role than

price consciousness in driving consumer innovativeness. Brand consciousness becomes an issue only at the regional level, with East Asian young-adult consumers displaying a much stronger tendency to pursue brand-driven status consumption. Thus, stronger branding and status-driven marketing should be more strongly pursued in East Asia. Lastly, looking at the role of gender, while gender is much less an issue at the level of individual countries, it becomes more important across the regions, as shown in Table 5. Thus, in developing regionally-based *semi-global* marketing strategies, international marketers need to take into consideration both differences in CDMS and gender.

Table 5: Gender differences and consumer behavior characteristics at different geographic levels

	Country-level	Region-level	Overall
Consumer innovativeness	NO (only China†)	Only East Asia*	YES*
Consumer ethnocentrism	MIXED (Japan***, Croatia†)	NO (East Europe†)	YES**
Brand consciousness	NO (only Slovenia*)	NO (East Asia†)	NO
Quality consciousness	NO (just regional)	YES*	NO
Price consciousness	NO	NO (East Europe†)	NO
Information utilization	MIXED (Croatia**, China†)	YES	NO

Notes: † $p < 0.1$, * $p < 0.05$, ** $p < 0.01$, *** $p = 0.000$

When it comes to marketing to young-adult consumers, international marketers need to follow a two-step segmentation process – regional segmentation, followed by consumer segmentation based on a relevant set of criteria (i.e. consumer innovativeness). For a FMCG giants like, i.e. Procter & Gamble, or Unilever this means that while it makes sense to distinguish between Europe and the Middle East, it does not make sense to further geographically segment the European market for young-adult consumers.

5.2.2 Implications for business

Looking at the results from Tables 1, 3 and 4, we can see that while consumer behavior generally does not differ that much between countries within a region, it does much more when it comes to across the regions. This has important implications for the international standardization-adaptation nexus, which effects in the end the firms' bottom line. This doesn't carry only marketing strategy implications, but also market entry implications (i.e. where and how to enter) and international management implications (i.e. strategic planning, organizational structures, processes and HRM).

Our results support regionally-focused international business strategies (at least when it comes to young-adult consumers and their consumer innovativeness), which are aligned with a "chopsticks" business perspective of so-called *regical*

business logic (regional and local, not global and local). Addressing young-adult consumers an important driver of market demand, our results show how companies (large or small) operating in international markets need to re-think their strategies, structures and processes. For example, in connection to Bartlett and Ghoshal's (1989) multinational enterprise (MNE) typology, the regical logic introduces perhaps at a hybrid MNE form. Such a form might incorporate aspects of the global, multinational and international type of MNE which is not *transnational*, but "regiotional". For smaller international firms faced with resource constraints, the chopstick logic calls on them to re-think which resources are needed and should be fostered in terms of adaptive business strategies, as well as which consumer cohorts can offer opportunities for entry into new foreign markets.

6. CONCLUSION

In terms of our research hypotheses, we cannot support the first hypothesis regarding the negative impact of consumer ethnocentrism on consumer innovativeness. However, we believe this stems from the nature of young-adult consumers as a glocal consumer generation. The other two hypotheses have been confirmed. Specific CDMS determine consumer innovativeness, which also differ between the two regions. Overall, while country-level differences are not significant in terms of determinants of young-adult consumer innovativeness, regional-level differences are.

Levitt's (1983) utopia of complete global convergence has not happened, even when one looks at young-adult consumer behavior, which seems to be at the forefront of globalization (Beck/Beck-Gernsheim 2009). While globalization and acculturation may have blurred the lines and importance of individual country contexts, regions still matter and call on international business to develop appropriate "chopstick" strategies. In marketing for example, this relates to understanding *glocal* consumer identities and developing effective *semi-global* marketing strategies. Consumer innovativeness is a particularly important international segmentation criterion, both for young-adult consumers and across demographic consumer cohorts. CDMS play an important role in determining consumer innovativeness, as do regional backgrounds, where specific gender archetypes of consumer behavior also seem to matter. This shows a specific degree of regional context richness which international marketers need to effectively address. If this is apparent among young-adult consumers, which are believed to be particularly homogenous, it should hold even more strongly for other demographic consumer cohorts providing strong support for Douglas and Craig's (2011) seminal work on semi-global marketing strategies.

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APENDICES

Appendix 1: Omitted items due to invariance issues and factor analyses results

	Slove-nia	Croatia	China	Japan
Consumer innovativeness				
If I like a brand, I rarely switch from it just to try something new.	0.697	0.815	0.769	0.601
I would rather stick with a brand I usually buy than try something I am not very sure of.	0.829	0.866	0.821	0.724
I think of myself as a brand-loyal consumer.	0.802	0.805	0.760	0.270
I am very cautious in trying new and different products.	0.670	0.739	0.829	0.664
When I go to a restaurant, I feel it is safer to order dishes I am familiar with.	0.590	0.526	0.719	0.633
I rarely buy brands about which I am uncertain how they will perform.	0.704	0.722	0.763	0.684
When I see a new brand on the shelf, I am not afraid of giving it a try.*	N/A*	N/A*	N/A*	N/A*
Consumer ethnocentrism				
Only those products unavailable in [country] should be imported.*	N/A*	N/A*	N/A*	N/A*
[Country] products: first, last, and foremost!*	N/A*	N/A*	N/A*	N/A*
Purchasing foreign-made products is anti-[country].	0.825	0.790	0.834	0.790
It is not right to purchase foreign-made products, because it puts [country] people out of jobs.	0.903	0.847	0.910	0.886
A real [country] should always buy [country] products.	0.894	0.829	0.871	0.863
We should purchase products manufactured in [country] instead of letting other countries get rich from us.	0.853	0.821	0.851	0.847
[Country] should not buy foreign products, because this hurts [country] business and causes unemployment.	0.884	0.877	0.921	0.893
It may cost me in the long run, but I prefer to buy [country]-made products.	0.721	0.651	0.701	0.620
[Country] consumers who purchase products made in other countries are responsible for putting their fellow [country] people out of work.	0.783	0.803	0.895	0.822
We should buy from foreign countries only those products which we cannot obtain within our own country.	0.722	0.697	0.798	0.797
Brand consciousness				
Highly advertised brands are usually very good.	0.787	0.708	0.730	0.798
A brand recommended in a consumer magazine is an excellent choice for me.	0.761	0.748	0.738	0.825
The most well-known national brands are the best for me.	0.519	0.610	0.839	0.720
The more recognizable the brand, the better the quality of the product.	0.781	0.792	0.776	0.771
I usually compare advertisements when buying fashionable products.*	N/A*	N/A*	N/A*	N/A*
Expensive brands are usually the best.	0.607	0.625	0.687	0.517
All brands are the same in overall quality.*	N/A*	N/A*	N/A*	N/A*
I usually choose the most expensive brands.*	N/A*	N/A*	N/A*	N/A*

Appendix 1: Omitted items due to invariance issues and factor analyses results (continued)

	Slove-nia	Croatia	China	Japan
Quality consciousness				
My standards and expectations for products I buy are very high.	0.794	0.729	0.839	0.749
I make a special effort to choose high quality products.	0.846	0.801	0.832	0.749
I usually buy well-known, national, or designer brands.	0.782	0.668	0.595	0.567
When it comes to purchasing products, I try to get the very best or perfect choice.	0.638	0.692	0.754	0.645
It is fun to buy something new and exciting.*	N/A*	N/A*	N/A*	N/A*
I should plan my shopping more carefully than I do.*	N/A*	N/A*	N/A*	N/A*
I buy high quality products, since they last longer.	0.738	0.640	0.716	0.600
I accept that top quality products are much more expensive than regular quality products.*	N/A*	N/A*	N/A*	N/A*
Price consciousness				
I carefully watch how much money I spend.	0.607	0.604	0.789	0.674
I consider price first, when making purchases.	0.784	0.772	0.793	0.781
I usually chose lower price products.	0.605	0.712	0.746	0.726
I usually compare at least three brands before choosing.	0.622	0.702	0.588	0.216
The most expensive brands are usually my preferred choice.*	N/A*	N/A*	N/A*	N/A*
I always make my purchases by comparing the price to the quality of the product.*	N/A*	N/A*	N/A*	N/A*
I am prone to buying items on sale or in special deals.	0.645	0.689	0.754	0.416
I take part in loyalty programs to get discounts and special deals.*	N/A*	N/A*	N/A*	N/A*
Information utilization				
All the information I get on different products confuses me.	0.722	0.684	0.849	0.798
There are too many brands to choose from so I often feel confused.	0.859	0.903	0.876	0.859
Sometimes it's hard to choose at which stores to shop.	0.745	0.806	0.813	0.783
I often make careless purchases that I later regret.	0.649	0.661	0.646	0.590
I like to gather as much information about a new/unfamiliar product before buying it.*	N/A*	N/A*	N/A*	N/A*
I get most of the information about products online.*	N/A*	N/A*	N/A*	N/A*
I like to consult with friends and family before purchasing a product.*	N/A*	N/A*	N/A*	N/A*

Note: * Denotes items that have been omitted due to invariance issues and were not included in factor analysis.

Appendix 2: Composite variable pair-wise correlation coefficients for each country sample

Slovenia						
	1	2	3	4	5	6
1-Consumer innovativeness	*0.720*					
2-Consumer ethnocentrism	0.184	*0.849*				
3-Brand consciousness	0.154	0.203	*0.699*			
4-Quality consciousness	0.272	0.115	0.117	*0.763*		
5-Price consciousness	0.091	0.026	0.094	-0.188	*0.656*	
6-Information utilization	0.247	0.182	0.213	0.041	0.095	*0.748*
Croatia						
	1	2	3	4	5	6
1-Consumer innovativeness	*0.746*					
2-Consumer ethnocentrism	0.025	*0.792*				
3-Brand consciousness	0.103	0.066	*0.700*			
4-Quality consciousness	0.209	-0.131	0.283	*0.709*		
5-Price consciousness	0.001	0.019	-0.119	-0.114	*0.698*	
6-Information utilization	0.176	0.139	-0.095	-0.127	0.153	*0.769*
China						
	1	2	3	4	5	6
1-Consumer innovativeness	*0.778*					
2-Consumer ethnocentrism	-0.109	*0.851*				
3-Brand consciousness	0.194	0.036	*0.756*			
4-Quality consciousness	0.457	-0.119	0.388	*0.752*		
5-Price consciousness	0.416	-0.001	0.305	0.241	*0.738*	
6-Information utilization	0.373	-0.001	0.212	0.242	0.396	*0.801*
Japan						
	1	2	3	4	5	6
1-Consumer innovativeness	*0.615*					
2-Consumer ethnocentrism	0.078	*0.819*				
3-Brand consciousness	0.107	0.005	*0.735*			
4-Quality consciousness	0.183	-0.153	0.249	*0.666*		
5-Price consciousness	0.291	0.063	0.112	0.192	*0.602*	
6-Information utilization	0.327	0.091	0.244	0.143	0.149	*0.764*

Note: Square roots of Average Variance Extracted (AVE) on the diagonal.