



Love of Variety?

Heterogeneous Responses to Foreign Goods in the Marketplace

Valentina Gonzalez-Rostani
Princeton University

Jude C. Hays
University of Pittsburgh

Buy American - Hire American



(April, 2017)

Economic Globalization and the Populist Backlash

- Regions exposed to trade → populist backlash (Colantone and Stanig 2018, Ballard-Rosa et al. 2021).
- Individual exposure $\xrightarrow{\neg reliable}$ predictor of support for RR (Colantone and Stanig 2019).

Economic Globalization and the Populist Backlash

- Regions exposed to trade → populist backlash (Colantone and Stanig 2018, Ballard-Rosa et al. 2021).
- Individual exposure $\xrightarrow{\neg reliable}$ predictor of support for RR (Colantone and Stanig 2019).

What links trade and political preferences at the individual level?

Economic Globalization and the Populist Backlash

- Regions exposed to trade → populist backlash (Colantone and Stanig 2018, Ballard-Rosa et al. 2021).
- Individual exposure $\xrightarrow{\neg reliable}$ predictor of support for RR (Colantone and Stanig 2019).

What links trade and political preferences at the individual level? Consumption?

Economic Globalization and the Populist Backlash

- Regions exposed to trade → populist backlash (Colantone and Stanig 2018, Ballard-Rosa et al. 2021).
- Individual exposure $\xrightarrow{\neg reliable}$ predictor of support for RR (Colantone and Stanig 2019).

What links trade and political preferences at the individual level? Consumption?

- **Trade-Consumption** → Increases trade support (Baker 2005, Naoi and Kume 2011, 2015).
- **Consumer Ethnocentrism and Home Bias** (Herche 1994, Balabanis et al. 2001, Zeugner-Roth et al. 2015, Lekakis 2017).

Economic Globalization and the Populist Backlash

- Regions exposed to trade → populist backlash (Colantone and Stanig 2018, Ballard-Rosa et al. 2021).
- Individual exposure $\xrightarrow{\neg reliable}$ predictor of support for RR (Colantone and Stanig 2019).

What links trade and political preferences at the individual level? Consumption?

- **Trade-Consumption** → Increases trade support (Baker 2005, Naoi and Kume 2011, 2015).
- **Consumer Ethnocentrism and Home Bias** (Herche 1994, Balabanis et al. 2001, Zeugner-Roth et al. 2015, Lekakis 2017).

Do all consumers inherently support trade?

Economic Globalization and the Populist Backlash

- Regions exposed to trade → populist backlash (Colantone and Stanig 2018, Ballard-Rosa et al. 2021).
- Individual exposure $\xrightarrow{\neg reliable}$ predictor of support for RR (Colantone and Stanig 2019).

What links trade and political preferences at the individual level? Consumption?

- **Trade-Consumption** → Increases trade support (Baker 2005, Naoi and Kume 2011, 2015).
- **Consumer Ethnocentrism and Home Bias** (Herche 1994, Balabanis et al. 2001, Zeugner-Roth et al. 2015, Lekakis 2017).

Do all consumers inherently support trade?

Our Contribution

- Focus on **consumption**
- Offer a **bottom-up** explanation, distinct from elite-driven narratives
- Explore **heterogeneous effects** among nationalists vs. cosmopolitans

Hypotheses

H1: Exposure to foreign goods will **cause**

- a. **Nationalists** to oppose trade, and immigrants, and support Trump.
- b. **Cosmopolitans** to support trade and immigrants, and oppose Trump.

Hypotheses

H1: Exposure to foreign goods will **cause**

- a. **Nationalists** to oppose trade, and immigrants, and support Trump.
- b. **Cosmopolitans** to support trade and immigrants, and oppose Trump.

H2: The causal effect of exposure is **mediated** through:

- a. **Consumption and production ethnocentrism.**
- b. **Sociotropic** concerns for the American economy and jobs.
- c. **Egocentric** concerns for effects on respondents' family.
- d. **Anti-Immigration** as mediator for support for Trump.

Hypotheses

H1: Exposure to foreign goods will **cause**

- a. **Nationalists** to oppose trade, and immigrants, and support Trump.
- b. **Cosmopolitans** to support trade and immigrants, and oppose Trump.

H2: The causal effect of exposure is **mediated** through:

- a. Consumption and production ethnocentrism.
- b. Sociotropic concerns for the American economy and jobs.
- c. **Egocentric** concerns for effects on respondents' family.
- d. **Anti-Immigration** as mediator for support for Trump.

Research Design

Published Survey Experiments

- Informational treatment: [▶ Mutz and Kim \(IO 2017\)](#)
- Visual prime: [▶ Naoi and Kume \(IO 2011\)](#) [▶ Naoi and Kume \(CPS 2015\)](#)
- Conjoint experiment: [▶ Blankert et al. \(PSRM 2022\)](#)

Published Survey Experiments

- Informational treatment: ▶ Mutz and Kim (IO 2017)
- Visual prime: ▶ Naoi and Kume (IO 2011) ▶ Naoi and Kume (CPS 2015)
- Conjoint experiment: ▶ Blankert et al. (PSRM 2022)

Our Design Aims

- **Realistic** consumption experience with recognizable brands.
Framed as "*Americans are increasingly shopping for automobiles online.*"
- **Task-oriented:** subjects should evaluate and compare products.
- We examine if **consumption** in a diversified marketplace drives a **bottom-up** shift in trade policy preferences, moving beyond "elite-framing."

Research Design: Survey Experiment

Framing:

Subjects are asked to evaluate and consider purchasing 3 sports utility vehicles (SUVs)

Experimental conditions:

1. American-domestic: Ford Explorer, Chevy Traverse LS, and GMC Acadia SLE
2. European-foreign: Mercedes GLA 250, Volkswagen Atlas SE, and Volvo XC40
3. Asian-foreign: Hyundai Palisade SE, Toyota Highlander L, Mazda CX-9

Introduction

12:29

University of Pittsburgh

Next, we want to simulate the experience of shopping for cars. Please take a moment to read the information we give you carefully and briefly visit the website of the selected automobiles. (We will record clicks on the provided link.) Then we will ask you a few questions about your evaluations. Note that, in order to remain in the study, you will be asked later to recall the type of automobiles included in the survey.

>>

Powered by Qualtrics

Presentation of 3 SUVs

12:29

We are interested in your evaluation of Sport Utility Vehicles (SUVs). One of Mercedes Benz's popular sport utility vehicles is the GLA 250. You can see a picture of this SUV by clicking on the following link. (This link will take you to an external website in a new tab. You will need to return to finish the survey.)

[Mercedes GLA 250](#)

According to the company's website, the price for this model starts at \$36,400. The GLA 250 offers²

- Up to 24 city and 34 hwy MPG
- 5-passenger seating
- Approximately 20 safety features including a Blind

Tasks

12:29

University of Pittsburgh

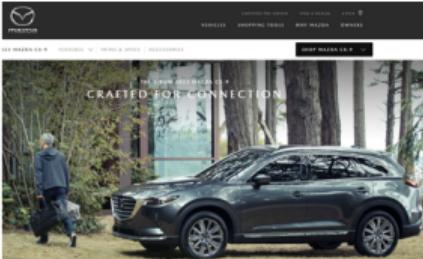
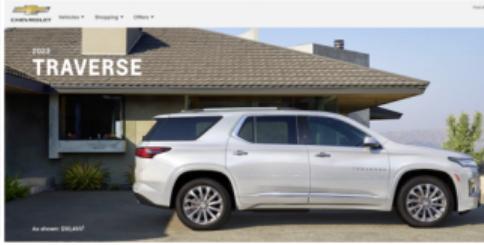
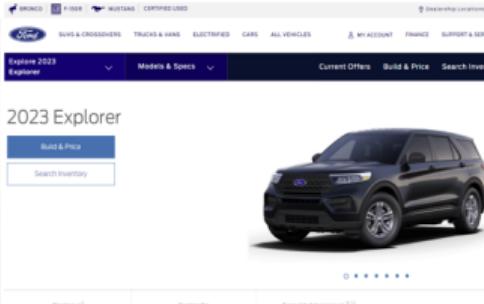
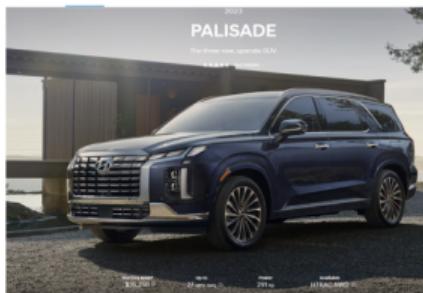
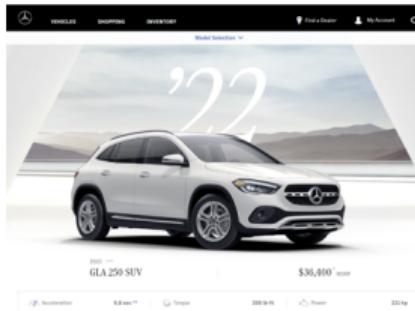
Specification Summary

| SUV | Price | MPG | Seatin |
|------------------|----------|-------|--------|
| Mercedes GLA 250 | \$36,400 | 24/34 | 5 |
| VW Atlas SE | \$34,600 | 18/23 | 7 |
| Volvo XC40 | \$36,350 | 23/30 | 5 |

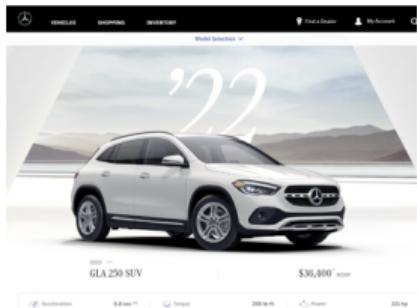
If you were in the market for a sports utility vehicle, which of these would you purchase?

<>

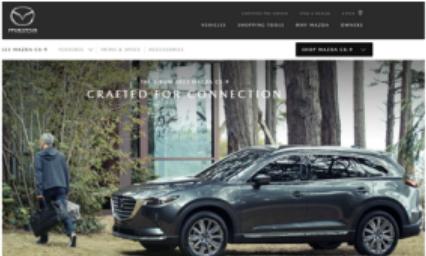
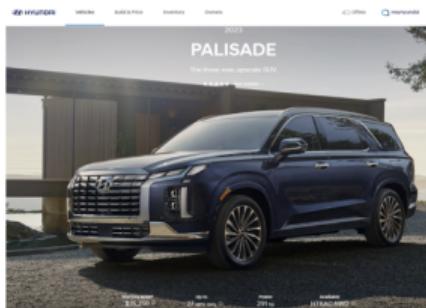
Powered by Qualtrics



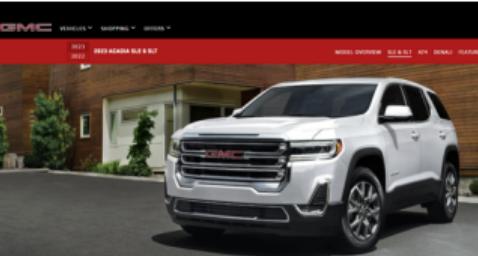
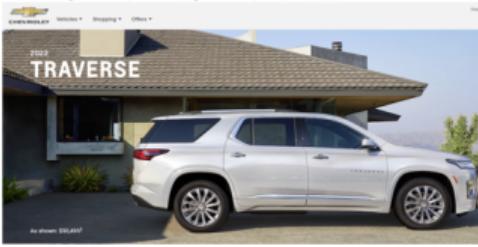
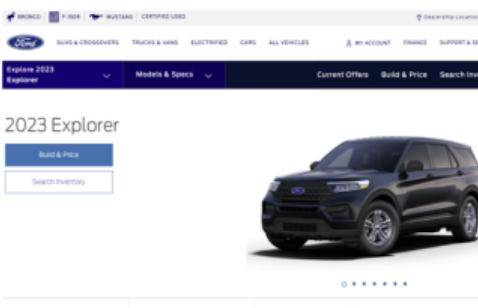
European-foreign



Asian-foreign



American-domestic



Survey Flow

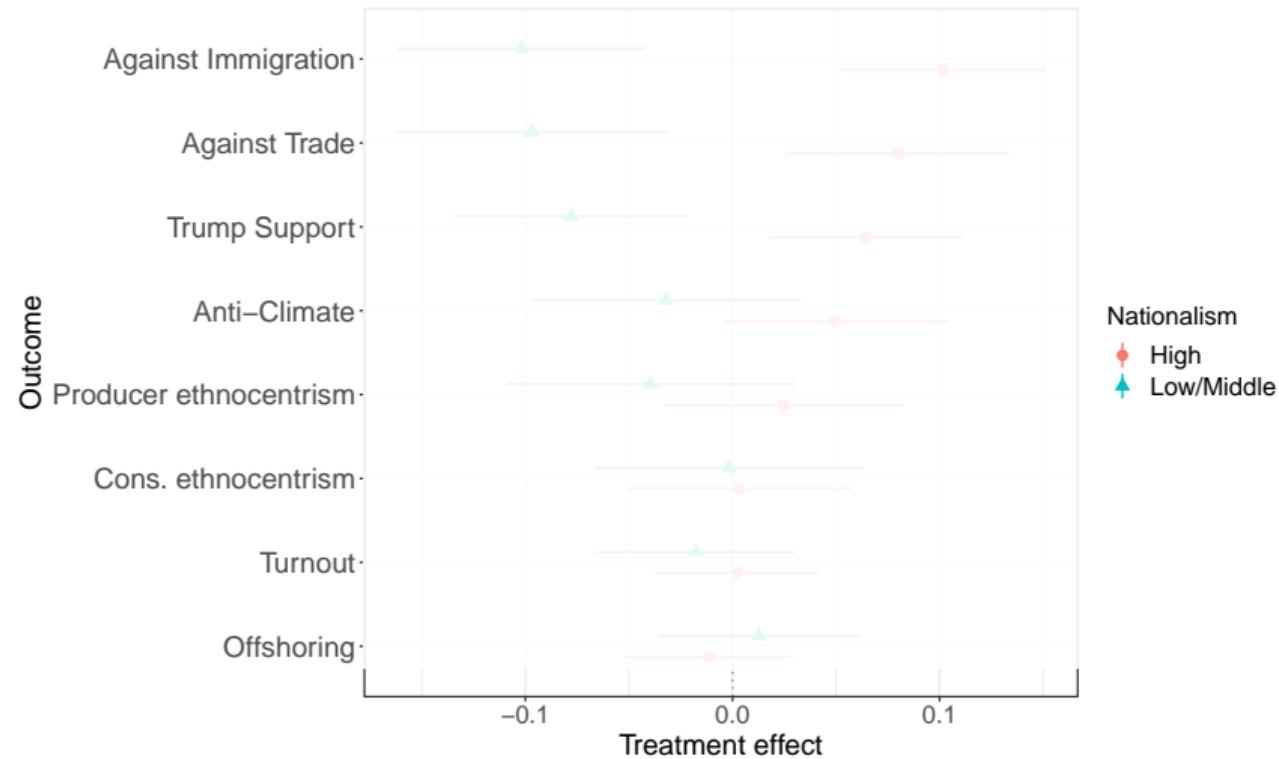
1. **Pre-treatment section:** questions about sociodemographics, partisanship, ideology, and measures preexisting levels of nationalism.
2. **Three experimental conditions/prompts:**
 - American-domestic
 - European-foreign
 - Asian-foreign
3. **Post-treatment section:** questions about consumption (i.e., brand), political, and public policy preferences + attention and manipulation checks.

Implementation

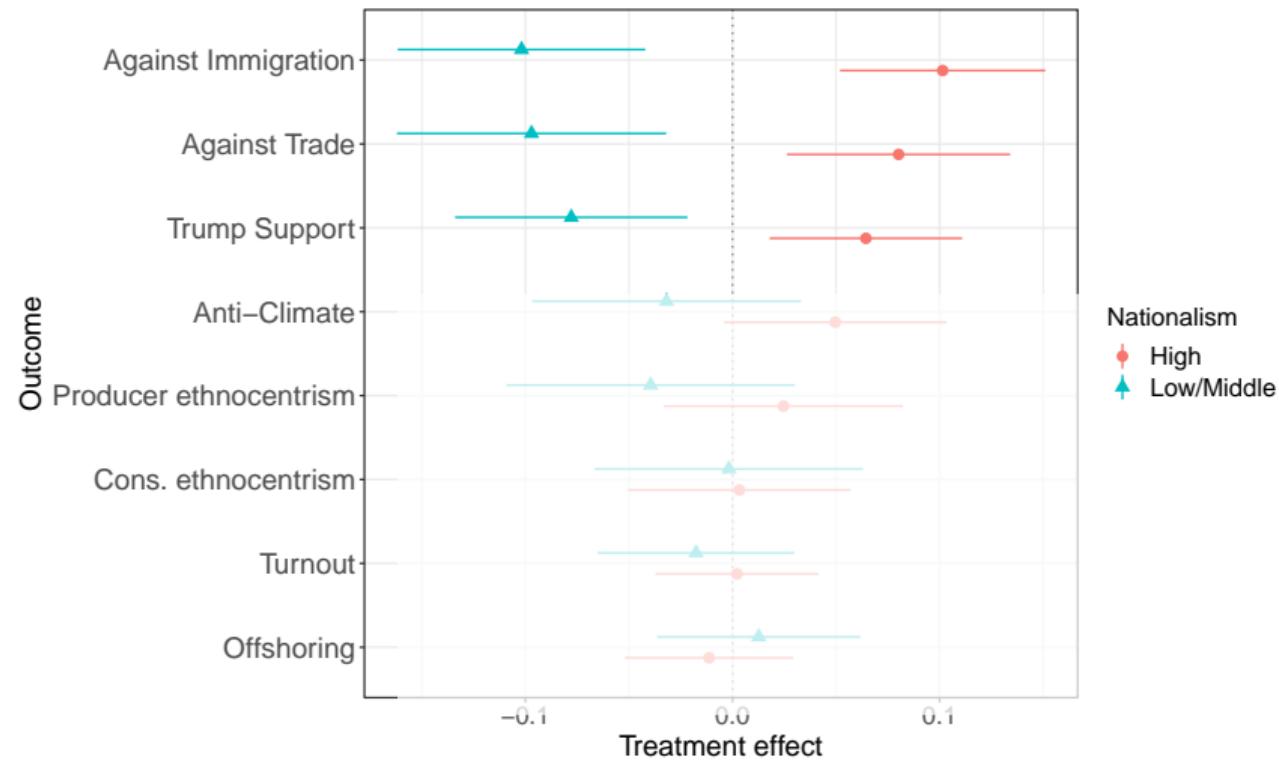
- IRB granted exemption (Aug 12, 2022)
- Preregistered @: <https://osf.io/y8nrm>
- Sample comes from CloudResearch
- Respondents are paid \$1.50 (15 min ~ PA MW).
- Fielded on October-November, 2022
- N = 3,299

Results

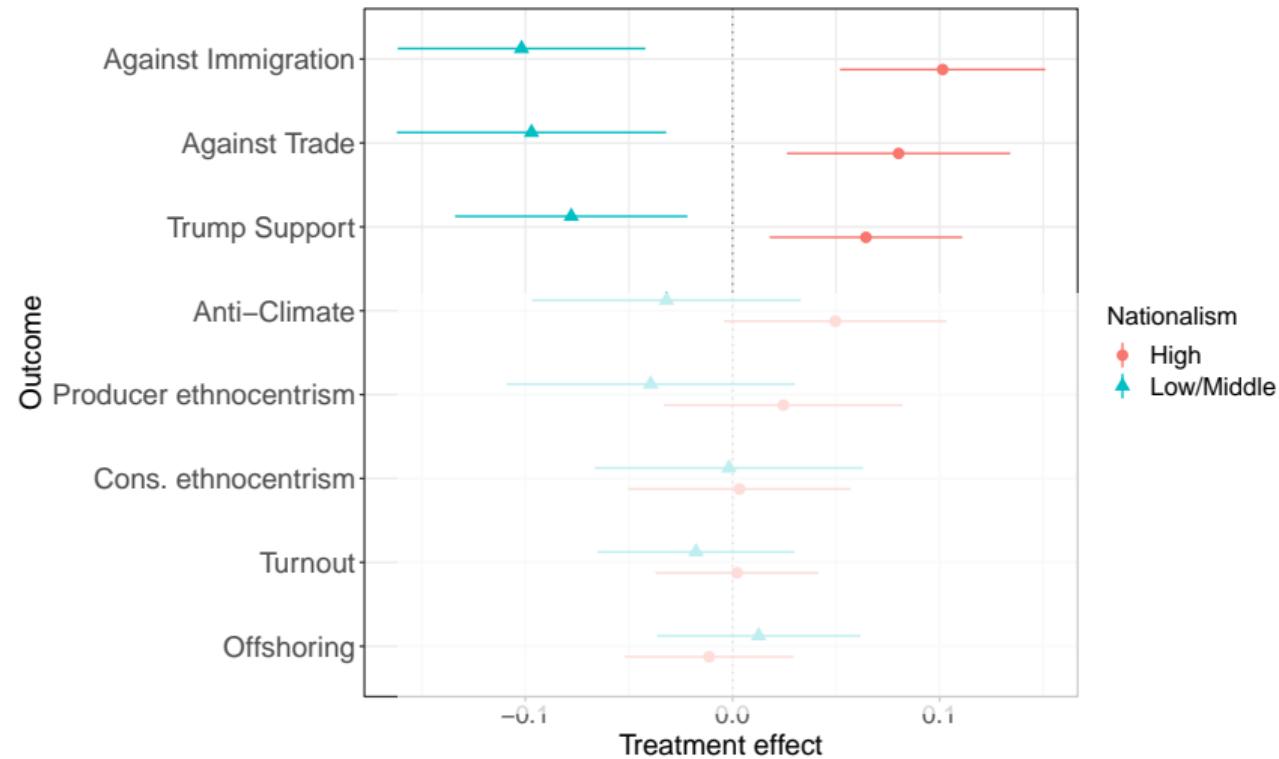
Effects of Exposure to Foreign Goods on Political Attitudes



Effects of Exposure to Foreign Goods on Political Attitudes

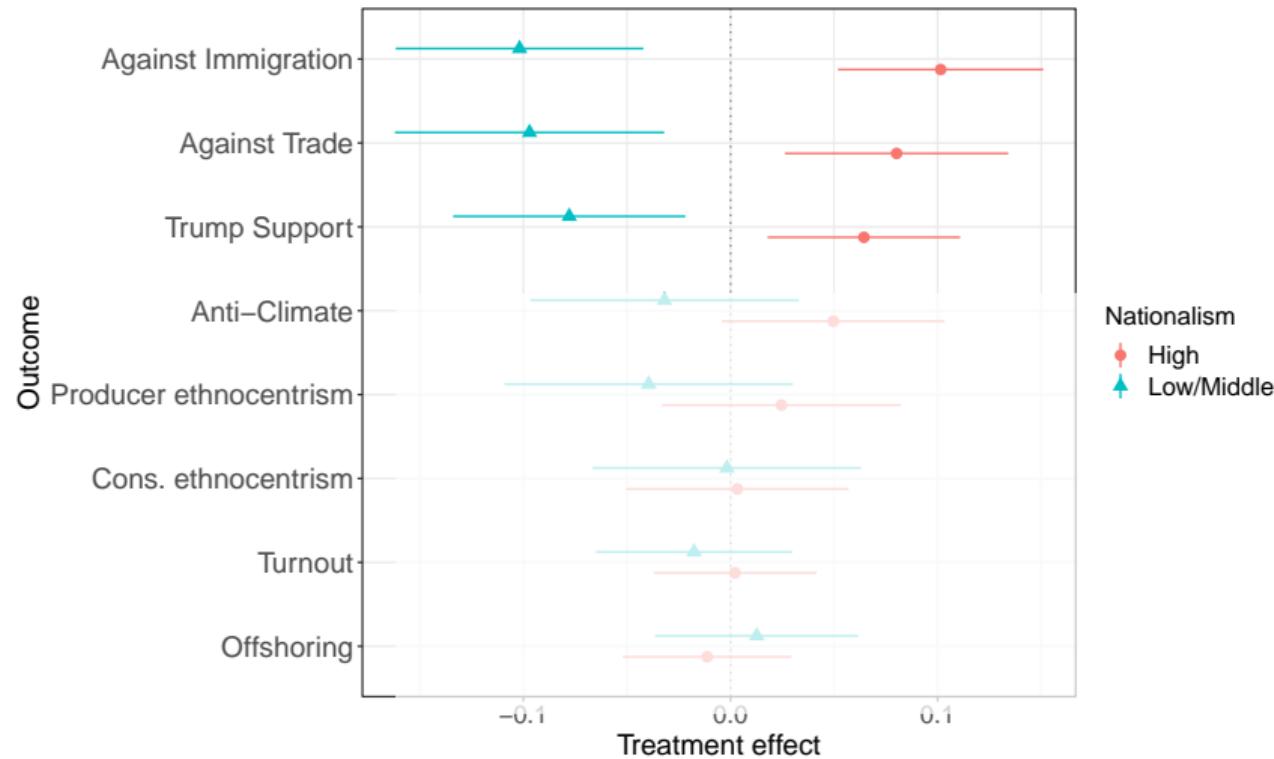


Effects of Exposure to Foreign Goods on Political Attitudes



Nationalist: \uparrow anti-immigrants, \uparrow anti-trade, \uparrow Trump

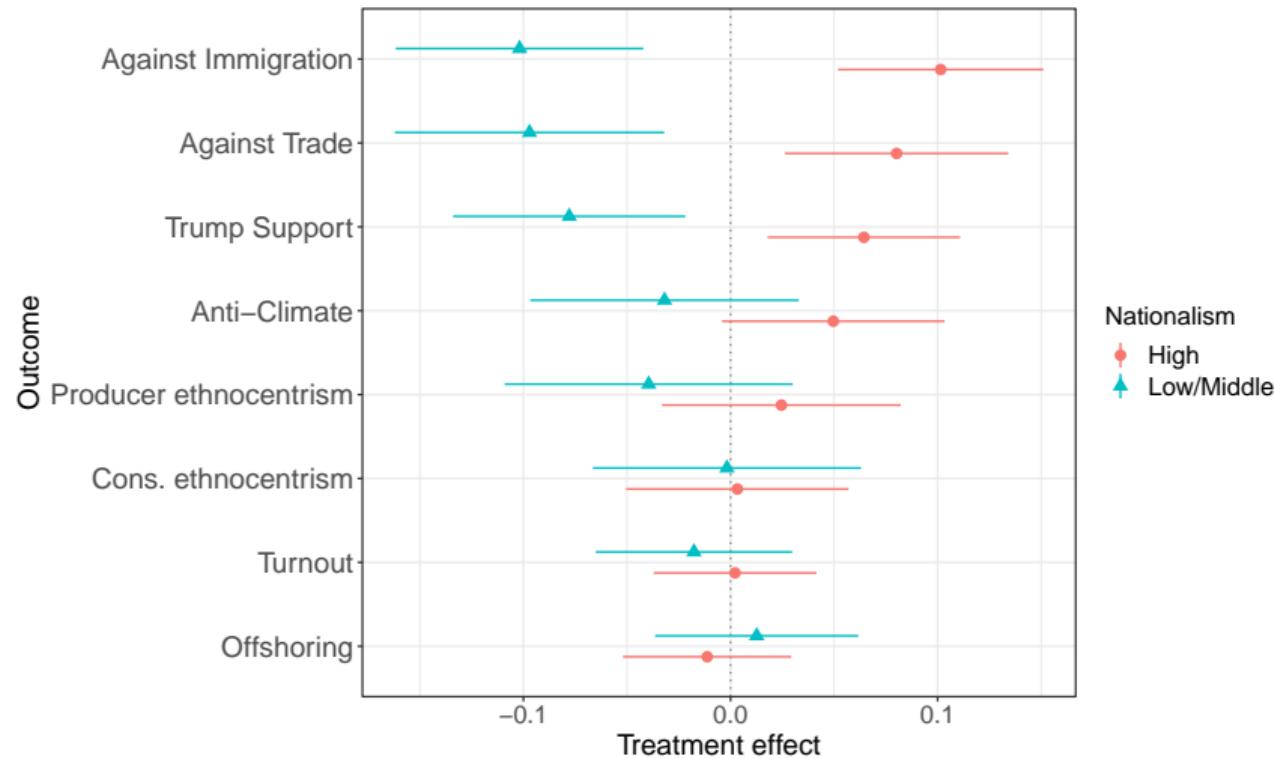
Effects of Exposure to Foreign Goods on Political Attitudes



Nationalist: ↑ anti-immigrants, ↑ anti-trade, ↑ Trump

Cosmopolitans: ↓ anti-immigrants, ↓ anti-trade, ↓ Trump

Effects of Exposure to Foreign Goods on Political Attitudes

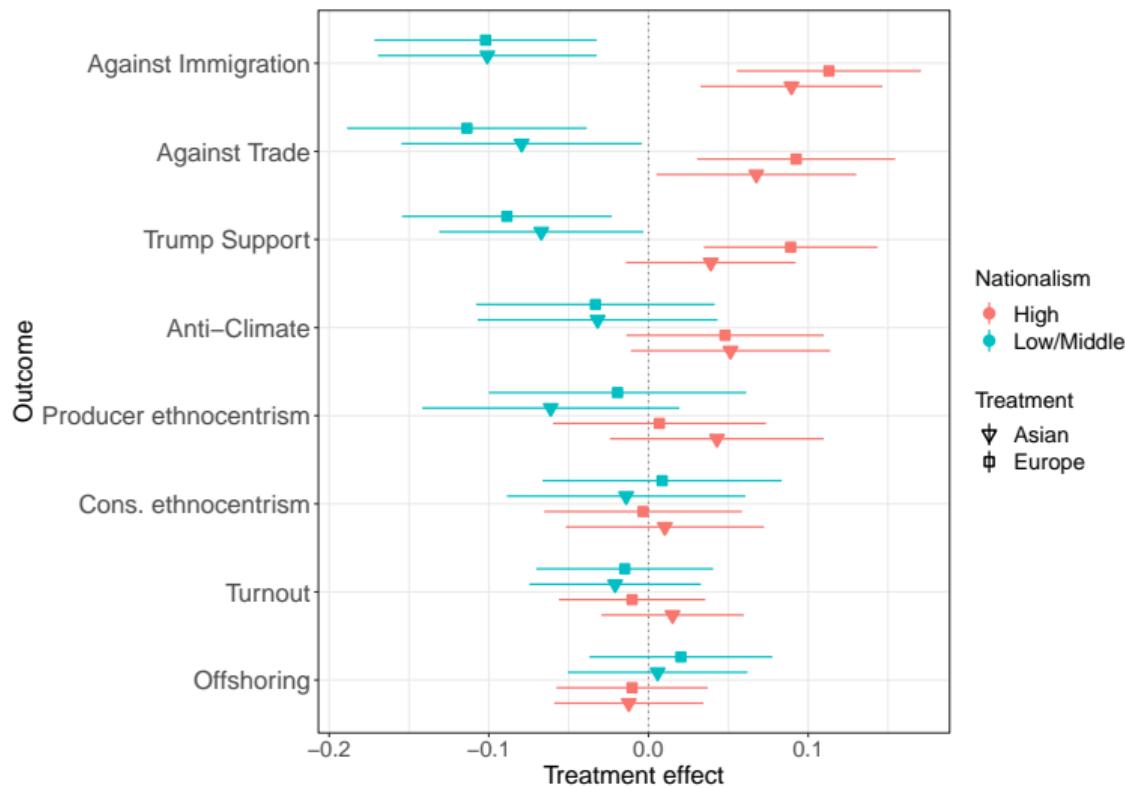


Nationalist: ↑ anti-immigrants, ↑ anti-trade, ↑ Trump

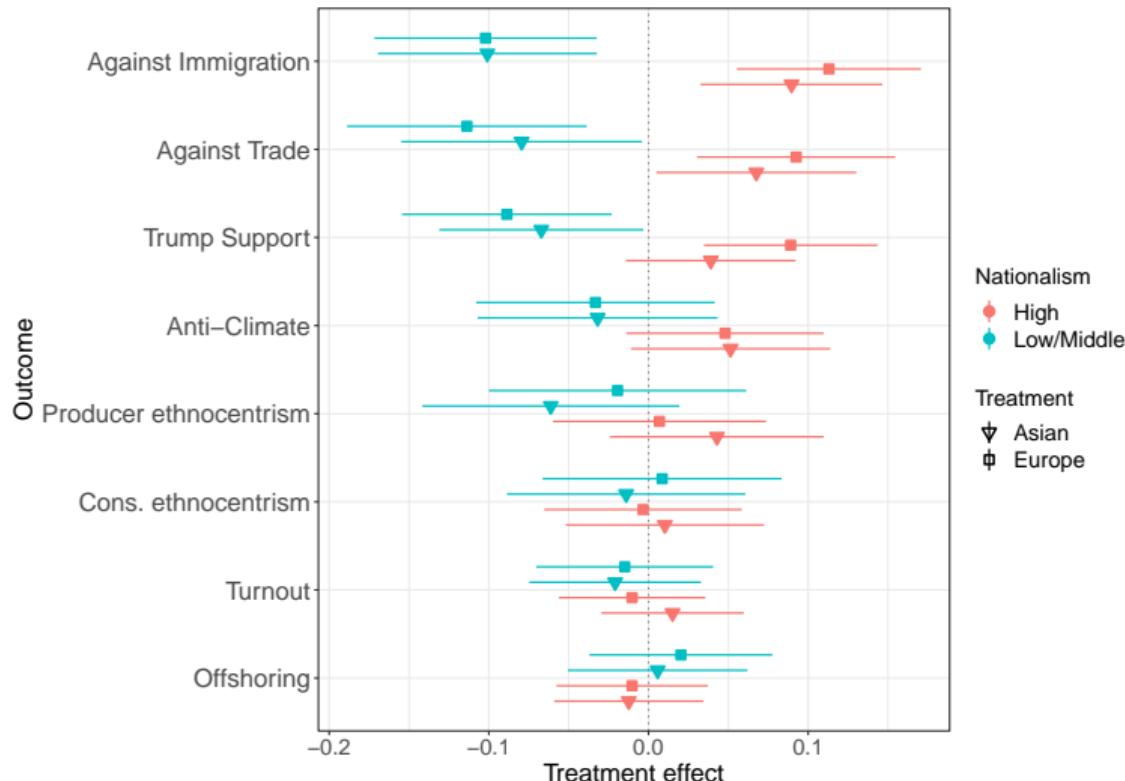
Cosmopolitans: ↓ anti-immigrants, ↓ anti-trade, ↓ Trump

Mechanisms - Status threat or Luxury?

Mechanisms - Status threat or Luxury? ⏪



Mechanisms - Status threat or Luxury? ⏪



Status threat? Not quite! European brands' effects \geq Asian brands' effects.

Mechanisms - Status threat or Luxury?

Then what?

Mechanisms - Status threat or Luxury?

Then what?

| | American | European | Asian |
|------------------|----------|----------|-------|
| Luxurious | 8.17 | 55.35 | 17.61 |
| Powerful | 12.17 | 3.62 | 4.82 |
| Safe | 44 | 27.51 | 43.85 |
| Reliable | 35.67 | 13.51 | 33.72 |
| $\chi^2 = 9.348$ | 1811.591 | 93.02105 | |

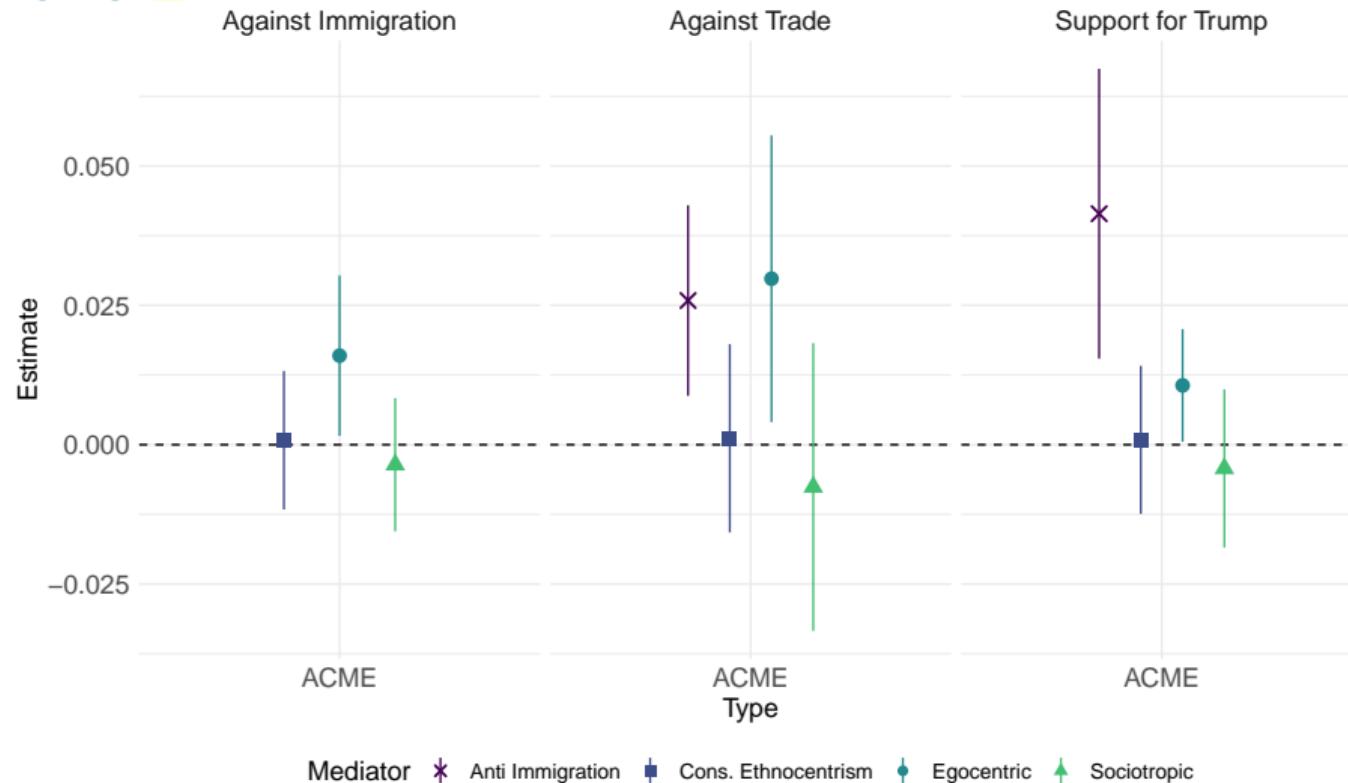
Mechanisms - Status threat or Luxury?

Then what?

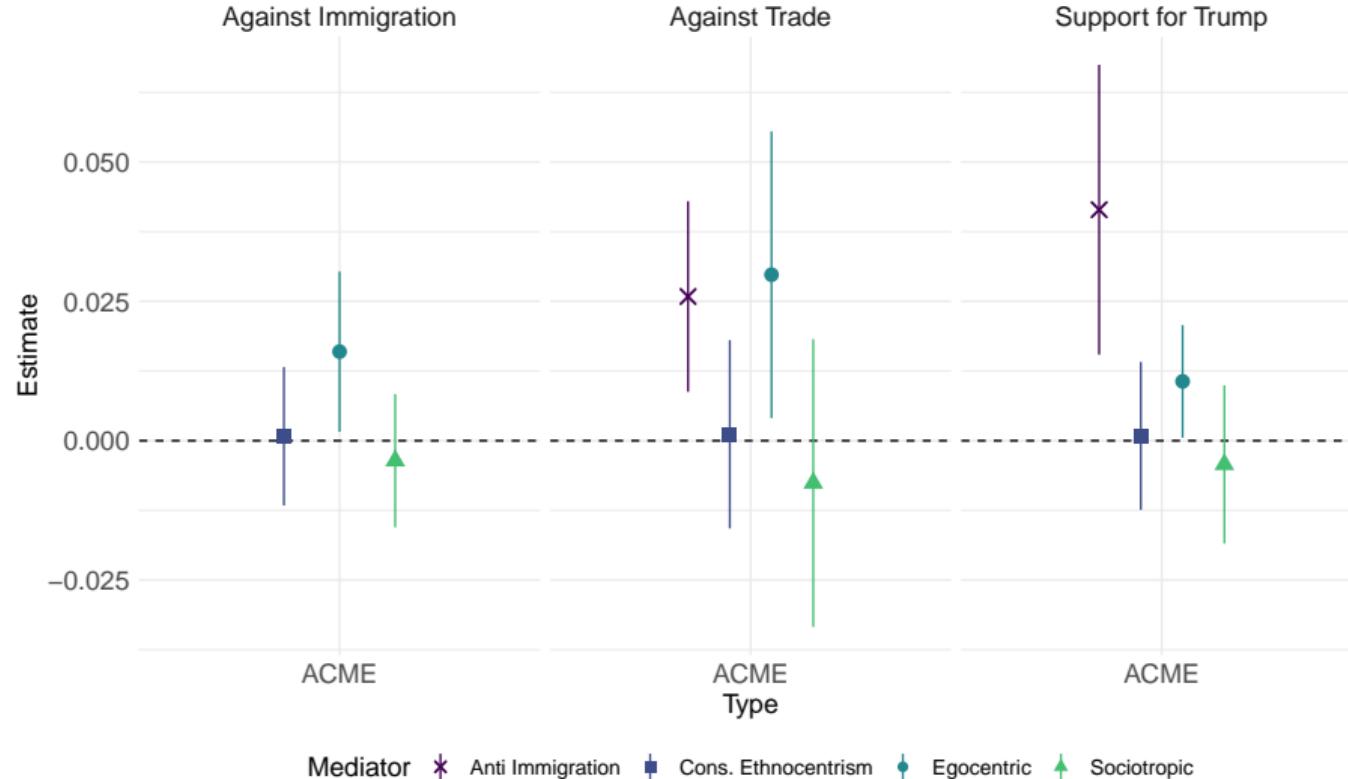
| | American | European | Asian |
|------------------|----------|----------|----------|
| Luxurious | 8.17 | 55.35 | 17.61 |
| Powerful | 12.17 | 3.62 | 4.82 |
| Safe | 44 | 27.51 | 43.85 |
| Reliable | 35.67 | 13.51 | 33.72 |
| $\chi^2 = 9.348$ | | 1811.591 | 93.02105 |

[If anything] European brands are more associated with **luxuriousness**

Mechanisms



Mechanisms



The effect is mediated through: egocentric concerns and anti-immigration.

Final Remarks

- **Consumer Preferences:** Not all consumers love variety.

Final Remarks

- **Consumer Preferences:** Not all consumers love variety.
- **Daily exposure** can *subtly shape* attitudes toward trade and politics.

Final Remarks

- **Consumer Preferences:** Not all consumers love variety.
- **Daily exposure** can *subtly shape* attitudes toward trade and politics.
- **Bottom-up Polarization:** Trade-related polarization can *originate from the grassroots*, not just elites.

Final Remarks

- **Consumer Preferences:** Not all consumers love variety.
- **Daily exposure** can *subtly shape* attitudes toward trade and politics.
- **Bottom-up Polarization:** Trade-related polarization can *originate from the grassroots*, not just elites.
- **Methodological Insights:** Include *heterogeneous effects* and *real-world experiences* in trade exposure studies.

Final Remarks

- **Consumer Preferences:** Not all consumers love variety.
- **Daily exposure** can *subtly shape* attitudes toward trade and politics.
- **Bottom-up Polarization:** Trade-related polarization can *originate from the grassroots*, not just elites.
- **Methodological Insights:** Include *heterogeneous effects* and *real-world experiences* in trade exposure studies.

Thank you!  gonzalez-rostani.com  gonzalezrostani@princeton.edu

Supplementary Slides

Supplementary Slides

- Effect overall ► ►
- OLS
 - Foreign ► Without controls ► With controls
 - European ► Without controls ► With controls
 - Asian ► Without controls ► With controls
- Mechanisms ► Figure
 - Foreign ► Immigration ► Trade ► Trump
 - European ► Immigration ► Trade ► Trump
 - Asian ► Immigration ► Trade ► Trump
- Hypotheses ►
- Framework ►

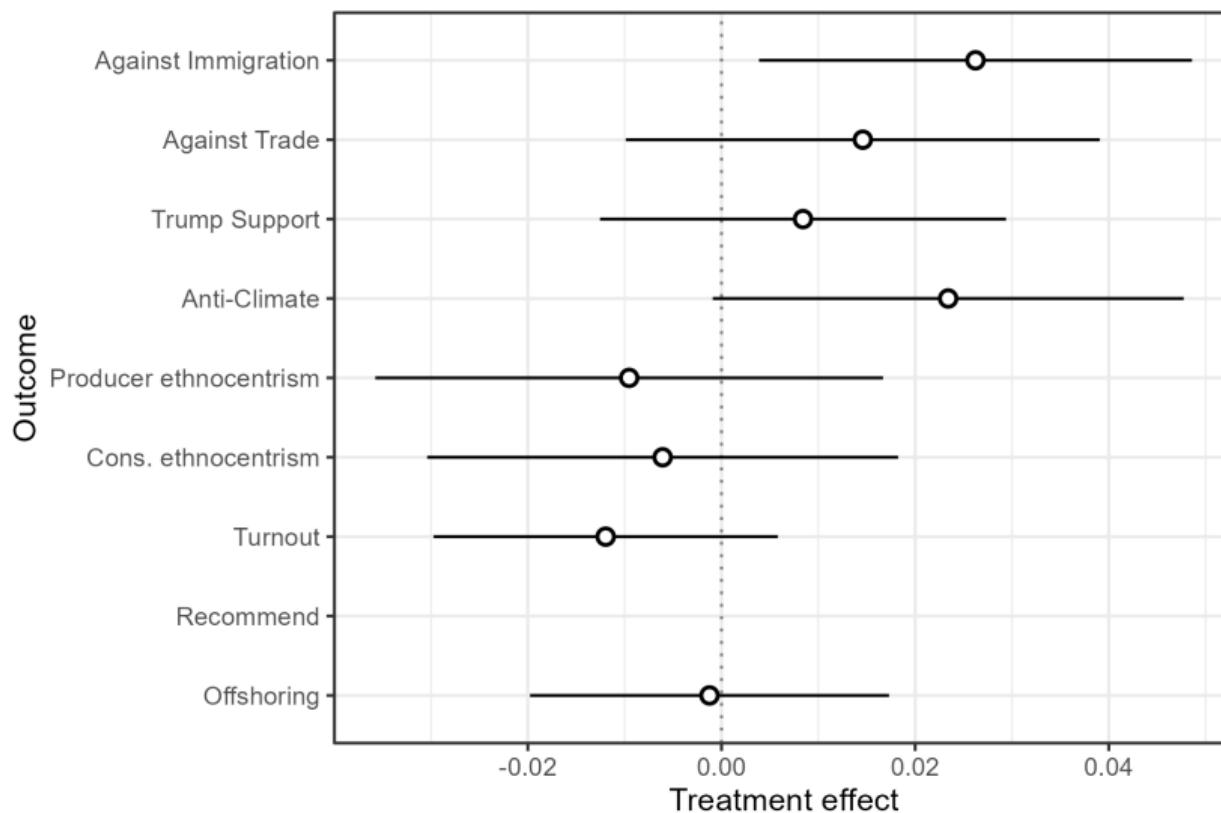
Published Survey Experiments

- Informational treatment:
 - Mutz and Kim (IO 2017)
- Visual Prime:
 - Naoi and Kume (IO 2011)
 - Naoi and Kume (CPS 2015)
- Conjoint Experiment:
 - Blankert et al. (PSRM 2022)

Back: ► Previous Research ► Results ► Mechanisms

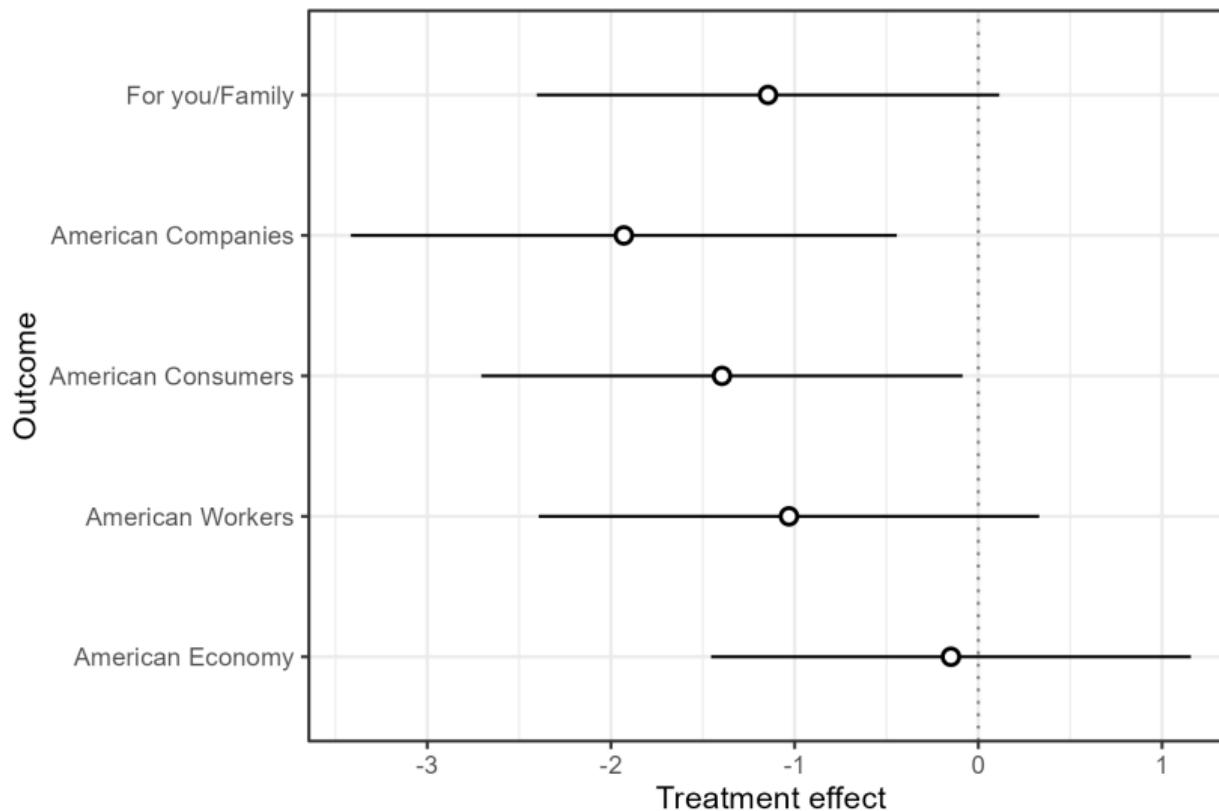
Results - Foreign vs Domestic SUV I

Back



Results - Foreign vs Domestic SUV II

▶ Back



OLS- Foreign I

Back

| | (1) Anti-Immigration | (2) Anti-Trade | (3) Support Trump |
|----------------------|-------------------------|----------------------|----------------------|
| Treated=Foreign | 0.115*** (0.028) | 0.083*** (0.031) | 0.072*** (0.027) |
| Cosmopolitanism | -0.192*** (0.017) | -0.045** (0.019) | -0.200*** (0.016) |
| Treated x mid Cosmo | -0.136*** (0.029) | -0.105*** (0.031) | -0.117*** (0.027) |
| Treated x high Cosmo | -0.105** (0.042) | -0.099** (0.046) | -0.059 (0.040) |
| Observations | 2786 | 2786 | 2786 |
| R ² | 0.161 | 0.022 | 0.169 |
| AIC | 3067.944 | 3536.828 | 2710.638 |

Standard errors in parentheses

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

OLS- Foreign II

Back

| | (1) Anti-Immigration | (2) Anti-Trade | (3) Support Trump |
|----------------------|-------------------------|-----------------------|-----------------------|
| Treated=Foreign | 0.111 *** (0.028) | 0.079 *** (0.030) | 0.070 *** (0.026) |
| Cosmopolitanism | -0.183 *** (0.017) | -0.032 * (0.019) | -0.201 *** (0.016) |
| Treated x mid Cosmo | -0.128 *** (0.029) | -0.098 *** (0.031) | -0.110 *** (0.027) |
| Treated x high Cosmo | -0.097 ** (0.042) | -0.090 ** (0.046) | -0.053 (0.039) |
| Other controls | Yes | Yes | Yes |
| Observations | 2786 | 2786 | 2786 |
| R ² | 0.173 | 0.040 | 0.181 |
| AIC | 3037.108 | 3493.397 | 2678.271 |

Standard errors in parentheses

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

OLS- European I

Back

| | (1) Anti-Immigration | (2) Anti-Trade | (3) Support Trump |
|----------------------|-------------------------|----------------------|----------------------|
| Treated=European | 0.126*** (0.033) | 0.096*** (0.036) | 0.097*** (0.032) |
| Cosmopolitanism | -0.192*** (0.017) | -0.045** (0.019) | -0.200*** (0.016) |
| Treated x mid Cosmo | -0.138*** (0.037) | -0.130*** (0.040) | -0.122*** (0.035) |
| Treated x high Cosmo | -0.103** (0.050) | -0.105* (0.054) | -0.075 (0.047) |
| Observations | 1860 | 1860 | 1860 |
| R ² | 0.149 | 0.021 | 0.164 |
| AIC | 2085.587 | 2361.561 | 1867.946 |

Standard errors in parentheses

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

OLS- European II

Back

| | (1) Anti-Immigration | (2) Anti-Trade | (3) Support Trump |
|----------------------|-------------------------|----------------------|----------------------|
| Treated=European | 0.123*** (0.033) | 0.089** (0.036) | 0.096*** (0.031) |
| Cosmopolitanism | -0.182*** (0.017) | -0.033* (0.019) | -0.199*** (0.016) |
| Treated x mid Cosmo | -0.132*** (0.037) | -0.119*** (0.040) | -0.117*** (0.035) |
| Treated x high Cosmo | -0.099** (0.050) | -0.101* (0.053) | -0.072 (0.047) |
| Other controls | Yes | Yes | Yes |
| Observations | 1860 | 1860 | 1860 |
| R ² | 0.161 | 0.040 | 0.175 |
| AIC | 2067.229 | 2332.447 | 1850.712 |

Standard errors in parentheses

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

OLS- Asian I

Back

| | (1) Anti-Immigration | (2) Anti-Trade | (3) Support Trump |
|----------------------|-------------------------|---------------------|----------------------|
| Treated=Asian | 0.103*** (0.033) | 0.071* (0.036) | 0.047 (0.031) |
| Cosmopolitanism | -0.192*** (0.017) | -0.045** (0.019) | -0.200*** (0.016) |
| Treated x mid Cosmo | -0.134*** (0.037) | -0.078* (0.041) | -0.114*** (0.035) |
| Treated x high Cosmo | -0.105** (0.048) | -0.091* (0.053) | -0.040 (0.045) |
| Observations | 1858 | 1858 | 1858 |
| R ² | 0.154 | 0.016 | 0.163 |
| AIC | 2010.171 | 2361.552 | 1749.406 |

Standard errors in parentheses

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

| | (1) Anti-Immigration | (2) Anti-Trade | (3) Support Trump |
|----------------------|-------------------------|--------------------|----------------------|
| Treated=Asian | 0.098*** (0.033) | 0.067* (0.036) | 0.042 (0.031) |
| Cosmopolitanism | -0.182*** (0.017) | -0.029 (0.019) | -0.201*** (0.016) |
| Treated x mid Cosmo | -0.124*** (0.037) | -0.072* (0.041) | -0.104*** (0.035) |
| Treated x high Cosmo | -0.091* (0.048) | -0.077 (0.053) | -0.033 (0.045) |
| Other controls | Yes | Yes | Yes |
| Observations | 1858 | 1858 | 1858 |
| R ² | 0.168 | 0.036 | 0.177 |
| AIC | 1987.194 | 2331.701 | 1727.643 |

Standard errors in parentheses

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Hypotheses

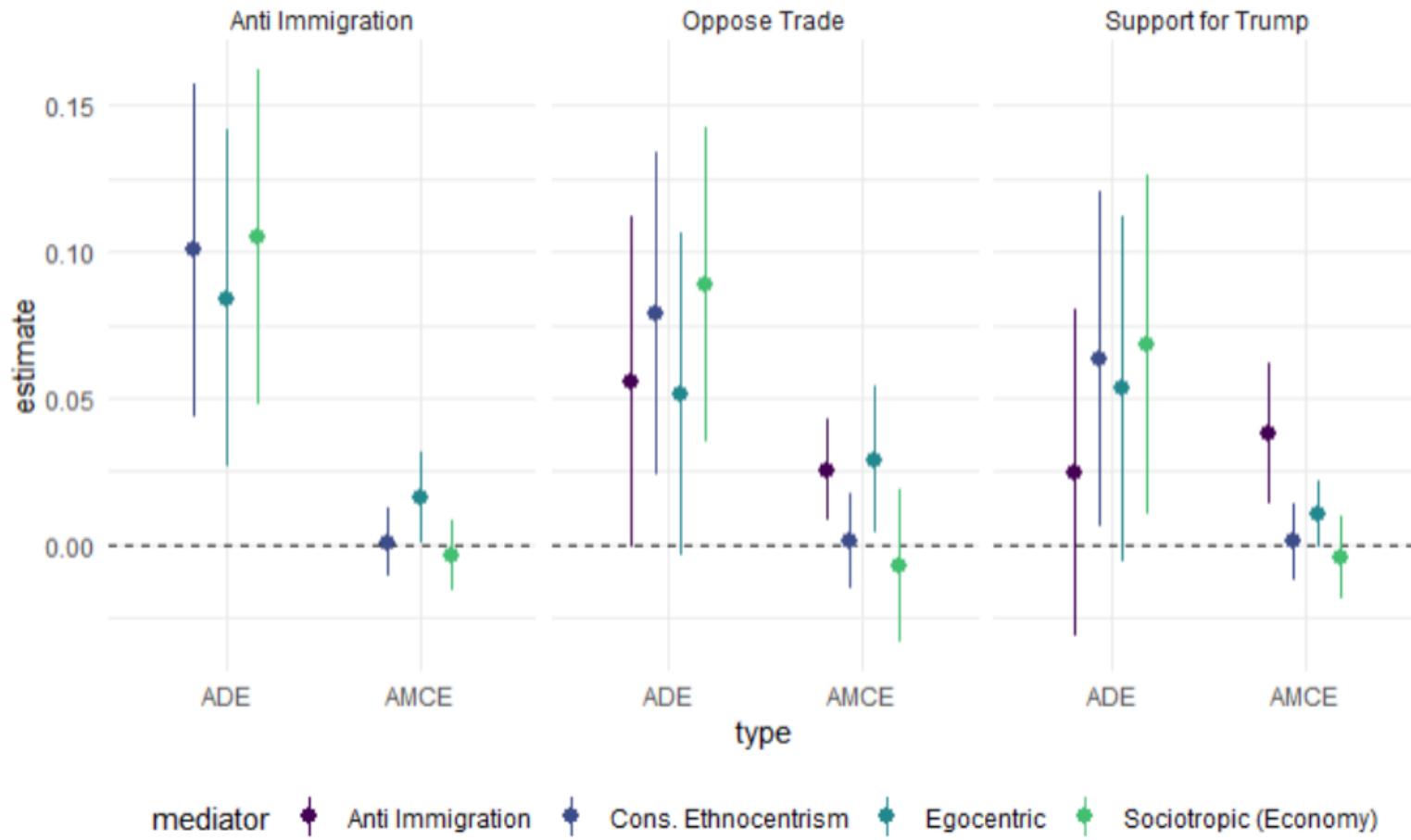
▶ Back

- H1a: Exposure to foreign goods will cause nationalists to oppose trade and support Trump.
- H1b: Exposure to foreign goods will cause cosmopolitans to support trade and oppose Trump.
- H2: The causal effect of exposure is mediated through consumption and production ethnocentrism.
- H3: The causal effect is a sociotropic concern for the American economy and jobs.
- H4: The causal effect is driven by status threat and cultural distance.

- Trade policy preferences and the rise of the radical right.
- Regions exposed to trade are more supportive of right-wing populist candidates and parties (Colantone and Stanig 2018, Ballard-Rosa et al. 2021).
- Individual exposure to trade not a reliable predictor of support for the radical right (Colantone and Stanig 2019).
- What explains the individual-level connection between trade and political preferences?
Consumption?
 - Individuals who associate trade with consumption are more supportive of trade (Baker 2005, Naoi and Kume 2011, 2015).
 - International business and marketing research on consumer ethnocentrism and home bias (Herche 1994, Balabanis et al. 2001, Zeugner-Roth et al. 2015, Lekakis 2017).
- Nationalists vs. Cosmopolitans
- Trade & Trump

Mechanisms

▶ Back



mediator ♦ Anti Immigration ♦ Cons. Ethnocentrism ♦ Egocentric ♦ Sociotropic (Economy)

SETUP: Specific trade policy described as under consideration.

TREATMENT: For each [1/10/100/1000] person/people in the U.S. who lose[s] a job and can no longer provide for their family, [1/10/100/1000] person/people in a country that we trade with will gain [a] new job[s] and now be able to provide for their family.

OUTCOME: Would you be likely to support this trade policy or oppose this trade policy?

- o [If support] Are you strongly supportive of this new trade policy or somewhat supportive of this new trade policy?
- o [If oppose] Are you strongly opposed to this new trade policy or somewhat opposed to this new trade policy?
 - American respondents (1) support trade policies that create US jobs and are indifferent to losses experienced by trade partners, and (2) the effect is stronger for pre-treatment nationalists.
 - Trade policies that create jobs for the US and losses for trade partners are preferred among those who view trade as a form of zero-sum intergroup competition.



Q2　ここはどのような業種の人が働く現場だと思いますか。
〔回答は1つ〕



- 金融
- 製造業
- 出版
- 公務
- その他

Note: The first three photos were used for the producer-priming. Before showing the photos, we asked, "Please carefully look at the photos below and answer the following questions" (translated by the authors). Photo Q2 is a follow-up, enforcement question for the first photo: "In what sector do you think people at this office work?" to which respondents choose from finance, manufacturing, publishing, public service, or other.

Source: For the first (white-collar office) and the third (harvesting) photos, Copyright © Kenji Hall-Creative Commons Attribution Licensed. For the second photo (car factory), Copyright © Chang-Ran Kim.

Producer priming (pictures 1, 2, and 3)

- Visual production prime increases opposition to food imports.
- The effect of the visual consumption prime (more support for imports) disappears when the outcome is food imports rather than imports in general. Explanation: Job insecurity projection.

■次の写真をよく見て以下の質問に答えてください。



Q5 この食料品店は以下のどのタイプのお店だと思います。

(回答は1つ)



- 個人商店
- コンビニエンスストア
- 有機/自然食品店
- 大型スーパー
- その他

Note: The first three photos were used for the consumer priming. Before showing the photos, we asked, "Please carefully look at the photos below and answer the following questions" (translated by the authors). Photo Q5 is a follow-up, enforcement question for the first photo: "What type of grocery shop do you think this is?" in which respondents choose from a small mom-and-pop shop, convenience store, an organic and natural food store, a large supermarket, or other.

Consumer priming (pictures 4, 5, and 6)

- Visual consumption prime increases support for imports (in general), and production prime reduces support for imports.
- The effect of the visual consumption prime is strongest for low income respondents.

Please review the options below carefully.

| Product | Product A | Product B |
|------------------------------------|-------------------|-------------------|
| Product | 1 pound of cheese | 1 pound of cheese |
| Average rating from past customers | 3 out of 5 stars | 5 out of 5 stars |
| Price | \$4.38 | \$7.00 |
| Product made in | Germany | United States |

If you had to purchase one of the products above, which one would it be?

- Product A
 Product B

If you were going to purchase this type of product in a store, how likely would you be to purchase:



- Home bias in consumption choices that is stronger for China than Germany.
- Home bias is larger among respondents who score high on a pre-treatment scale of ethnocentrism.