

The Effect of Consumer Ethnocentrism, Cultural Sensitivity, and Brand Credibility on Purchase Intention of Wardah Cosmetic Products in Medan City

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ABSTRACT

This study aims to examine the effect of consumer ethnocentrism and cultural sensitivity on purchase intention with brand credibility as a mediating variable in the context of Wardah cosmetic products in Medan City. A quantitative research method was employed using purposive sampling with a total of 140 respondents who are Wardah cosmetic users. Data were collected through questionnaires and analyzed using Structural Equation Modeling (SEM) with SmartPLS version 4.0. The findings reveal that consumer ethnocentrism and cultural sensitivity have a positive and significant effect on brand credibility. Brand credibility, in turn, has a positive and significant effect on purchase intention. However, consumer ethnocentrism and cultural sensitivity show a positive but insignificant direct effect on purchase intention. Interestingly, both variables significantly influence purchase intention indirectly through brand credibility as a mediating factor. These results highlight the importance of brand credibility in strengthening the relationship between consumer attitudes and purchase intention in the cosmetic industry, particularly for local halal brands.

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INTRODUCTION

Wardah, a leading Indonesian cosmetic brand, has successfully positioned itself as a pioneer of *halal* cosmetics in the country. Since its establishment in 1995 under Paragon Technology and Innovation (PTI), Wardah has expanded its product portfolio to include skincare, body care, and makeup. Its unique selling points—affordable prices, high quality, and guaranteed *halal* certification—have made it particularly popular among Muslim women. With the tagline “*Beauty Moves You*”, Wardah emphasizes beauty as a transformative power that fosters empowerment and social responsibility (Rizaldi, 2017). Consumer purchase intention is central to marketing and consumer behavior research, as it reflects the likelihood that consumers will engage in actual purchasing decisions. Kotler and Keller (2016) describe purchase intention as the consumer’s plan to purchase based on attitudes and perceptions, while Schiffman and Kanuk (2015) argue that purchase intention reflects the psychological predisposition of consumers toward specific products or brands, making it a strong predictor of actual behavior. Candy et al. (2022) further highlight that purchase intention is the initial stage of the decision-making process that leads to actual purchasing behavior.

This study is anchored in the Theory of Planned Behavior (TPB), which posits that intention is influenced by attitudes, subjective norms, and perceived behavioral control (Ajzen, 2020). Intention is considered the most

proximal predictor of actual behavior, including consumer purchasing decisions. In the present context, consumer ethnocentrism shapes attitudes toward local products, cultural sensitivity reflects subjective norms and social values, and brand credibility corresponds to perceived behavioral control by reducing uncertainty and building trust. Consumer ethnocentrism is defined as consumers' belief that purchasing foreign products is inappropriate because it threatens the domestic economy, while buying local products is considered both economically beneficial and morally appropriate. Shimp and Sharma (1987) first conceptualized this construct through the development of the CETSCALE. Ethnocentric consumers often perceive local products as superior and consider buying imported goods a disloyal act toward the national economy. Murti and Fernandez (2019) emphasize that consumer ethnocentrism is associated with patriotism and solidarity with domestic industries, while Turan et al. (2024) highlight its connection to loyalty and national pride.

Siamagka and Balabanis (2015) reconceptualized consumer ethnocentrism by identifying tendencies such as prosocial motivation, cognitive distortion, threat perception, social demonstrability of benefits, and inertia, all of which contribute to a strong preference for local products. Indicators of consumer ethnocentrism include the so-called *warm-glow effect*, solidarity, perceptions of domestic product quality, and habitual preference for local brands. Empirical studies consistently demonstrate that consumer ethnocentrism positively affects purchase intention. Ramadania (2018) found that ethnocentric consumers in Indonesia strongly prefer local brands, while Amri and Prihandono (2019), Fauzi and Asri (2020), and Chairiena et al. (2022) confirmed its significant effect on purchase decisions. These findings underscore the importance of consumer ethnocentrism as a determinant of purchase intention, particularly in developing countries where identity and pride in domestic products are central to consumer choices.

Cultural sensitivity is another key factor in consumer behavior. It is defined as the ability to recognize, respect, and adapt to cultural differences. Lustig and Koester (2016) describe cultural sensitivity as the awareness and skills necessary to engage effectively in intercultural communication, while Chen and Starosta (2019) emphasize its role in fostering positive intercultural relationships. In consumer contexts, cultural sensitivity influences how products are evaluated in multicultural societies. For Wardah, cultural sensitivity is reflected in its marketing strategies that emphasize Islamic identity and cultural values, as seen in the brand's endorsement of Muslim public figures such as Dewi Sandra and Zaskia Sungkar, which increases consumer trust (Ramadania et al., 2023). Empirical studies on cultural sensitivity show mixed results. While some research indicates that cultural sensitivity contributes positively to consumer attitudes and perceptions, its direct effect on purchase intention is often insignificant. For example, Nasabi et al. (2017) found that cultural sensitivity influenced consumer perceptions of international products but did not strongly affect actual purchasing decisions. This suggests that cultural sensitivity may exert its influence indirectly through mediating variables such as brand credibility.

Brand credibility plays a crucial role in strengthening the link between consumer attitudes and purchase intention. Kotler (2015) defines brand credibility as consumer trust in a brand's reliability and integrity. Robbins and Coulter (2018) and Tjiptono (2017) further highlight that credibility encompasses trustworthiness, expertise, and attractiveness, which build consumer confidence in product quality. Lod and Tessa (2020) add that credibility reduces uncertainty and enhances the likelihood of purchase decisions. For Wardah, credibility is reinforced through *halal* certification by the Indonesian Ulema Council (MUI), consistent product quality, and alignment with cultural and religious norms. Previous studies show that brand credibility significantly influences purchase intention. Munandar et al. (2018) confirmed that credibility strengthens consumer trust and purchase intention, while Darmawan and Sumar (2024) demonstrated that credibility mediates the effect of consumer ethnocentrism and cultural sensitivity on purchasing decisions. These findings position brand credibility as a central mechanism linking consumer attitudes to behavioral outcomes.

Research on the relationships among consumer ethnocentrism, cultural sensitivity, brand credibility, and purchase intention continues to reveal important dynamics. Anggi and Ellyawati (2015) found that consumer ethnocentrism positively affected purchase intention, with perceived quality acting as a mediating variable. Darmawan and Sumar (2024) observed that while cultural sensitivity positively influenced brand credibility, its direct effect on purchase intention was insignificant. These findings emphasize the mediating role of brand credibility in shaping purchase intention. Based on the theoretical framework and previous empirical studies, this research develops several hypotheses. The first hypothesis (H1) states that consumer ethnocentrism has a positive effect on brand credibility. The second hypothesis (H2) argues that cultural sensitivity also has a positive effect on brand credibility. In addition, the third hypothesis (H3) proposes that brand credibility positively affects purchase intention. Beyond these mediating relationships, the study also expects direct effects, whereby consumer ethnocentrism is hypothesized (H4) to have a positive effect on purchase intention, and cultural sensitivity is hypothesized (H5) to positively influence purchase intention. Finally, the sixth hypothesis (H6) predicts that consumer ethnocentrism indirectly affects purchase intention through brand credibility as a mediating variable,

while the seventh hypothesis (H7) suggests that cultural sensitivity similarly has an indirect positive effect on purchase intention via brand credibility.

Thus, this study aims to analyze the effect of consumer ethnocentrism and cultural sensitivity on purchase intention with brand credibility as a mediating variable in the case of Wardah cosmetic products in Medan City. This research contributes both theoretically and practically by providing empirical evidence on the role of brand credibility in strengthening consumer purchase intentions toward local *halal* cosmetics.

RESEARCH METHOD

This study employs a quantitative explanatory research design to examine the influence of consumer ethnocentrism and cultural sensitivity on purchase intention, with brand credibility as a mediating variable. A survey method was applied to collect data, allowing the researchers to capture respondents' attitudes, perceptions, and behavioral intentions in a structured and measurable way.

A. Population and Sample

The population of this study consists of consumers of Wardah cosmetic products in Medan City. The sampling technique used was purposive sampling, with criteria including respondents who are active consumers of Wardah products, at least 17 years old, and capable of understanding the research instrument. A total of 200 valid responses were collected, which meets the minimum sample size requirement for structural equation modeling (SEM) using Partial Least Squares (PLS) analysis (Hair et al., 2019).

B. Research Instrument

The research instrument was a structured questionnaire consisting of items that measured all variables using a five-point Likert scale ranging from 1 (*strongly disagree*) to 5 (*strongly agree*).

- Consumer Ethnocentrism was measured using adapted items from Shimp and Sharma's (1987) CETSCALE, which include indicators of solidarity, national loyalty, perceptions of local superiority, and resistance to foreign products.
- Cultural Sensitivity was assessed using indicators adapted from Lustig and Koester (2016) and Chen and Starosta (2019), covering cultural awareness, respect for differences, and adaptation to cultural values.
- Brand Credibility was measured using indicators from Kotler (2015) and Lod and Tessa (2020), which include trustworthiness, reliability, and competence.
- Purchase Intention was measured using items adapted from Kotler and Keller (2016) and Schiffman and Kanuk (2015), reflecting consumers' willingness and intention to buy Wardah products in the future.

C. Data Collection Procedure

Data collection was conducted through online and offline distribution of the questionnaire between May and June 2025. Respondents were assured of confidentiality and anonymity to encourage honest responses. Prior to full distribution, a pilot test with 30 respondents was conducted to ensure clarity and reliability of the instrument.

D. Data Analysis Technique

The data were analyzed using Structural Equation Modeling with Partial Least Squares (SEM-PLS) through SmartPLS software version 4. The analysis included two stages: the measurement model (outer model) and the structural model (inner model). The measurement model was evaluated through validity and reliability tests, including indicator loading, composite reliability, and average variance extracted (AVE). The structural model was assessed using path coefficients, *t*-statistics, and the coefficient of determination (R^2). The significance of mediating effects was tested using bootstrapping procedures (Hair et al., 2019).

RESULTS AND DISCUSSIONS

A. Measurement Model

The validity and reliability of the constructs were first assessed. Convergent validity was achieved as all indicator loadings exceeded 0.70. The Average Variance Extracted (AVE) values ranged from 0.709 to 0.752, confirming adequate convergent validity. Reliability was confirmed with Composite Reliability (CR) values ranging from 0.939 to 0.958 and Cronbach's alpha values above 0.90, all exceeding the minimum threshold. Discriminant

validity was also established using the Fornell–Larcker criterion and HTMT ratio, indicating that all constructs were distinct from each other.

Table 1. Measurement Model Results

Construct	Indicator Loadings	AVE	CR	Cronbach's α
Consumer Ethnocentrism	>0.70	0.709	0.945	0.929
Cultural Sensitivity	>0.70	0.724	0.939	0.921
Brand Credibility	>0.70	0.752	0.948	0.933
Purchase Intention	>0.70	0.731	0.958	0.945

B. Structural Model

The structural model was then evaluated. The coefficient of determination (R^2) for brand credibility was 0.667, indicating that consumer ethnocentrism and cultural sensitivity together explained 66.7% of its variance. Purchase intention showed an R^2 of 0.866, suggesting that consumer ethnocentrism, cultural sensitivity, and brand credibility jointly explained 86.6% of its variance. The model demonstrated strong predictive relevance ($Q^2 = 0.955$) and satisfactory fit indices (SRMR = 0.056, NFI = 0.815, Chi-square = 767.853).

Table 2. Structural Model Results

Endogenous Variable	R^2	Q^2	SRMR	NFI	Chi-square
Brand Credibility	0.667	0.955	0.056	0.815	767.853
Purchase Intention	0.866	0.955	0.056	0.815	767.853

C. Hypothesis Testing

Bootstrapping analysis revealed that consumer ethnocentrism and cultural sensitivity both had significant positive effects on brand credibility (supporting H1 and H2). Brand credibility significantly influenced purchase intention (supporting H3). However, neither consumer ethnocentrism nor cultural sensitivity had a significant direct effect on purchase intention, leading to the rejection of H4 and H5. Mediation analysis confirmed that brand credibility mediated the relationships between consumer ethnocentrism and purchase intention, as well as between cultural sensitivity and purchase intention, supporting H6 and H7.

Table 3. Hypothesis Testing Results (Bootstrapping)

Path	β	t-value	p-value	Result
CE \rightarrow BC (H1)	0.403	2.705	0.007	Supported
CS \rightarrow BC (H2)	0.443	3.023	0.003	Supported
BC \rightarrow PI (H3)	0.681	2.801	0.005	Supported
CE \rightarrow PI (H4)	0.219	0.996	0.319	Not Supported
CS \rightarrow PI (H5)	0.123	0.623	0.534	Not Supported
CE \rightarrow BC \rightarrow PI (H6, mediation)	Indirect	—	Sig.	Supported
CS \rightarrow BC \rightarrow PI (H7, mediation)	Indirect	—	Sig.	Supported

Note: CE = Consumer Ethnocentrism, CS = Cultural Sensitivity, BC = Brand Credibility, PI = Purchase Intention.

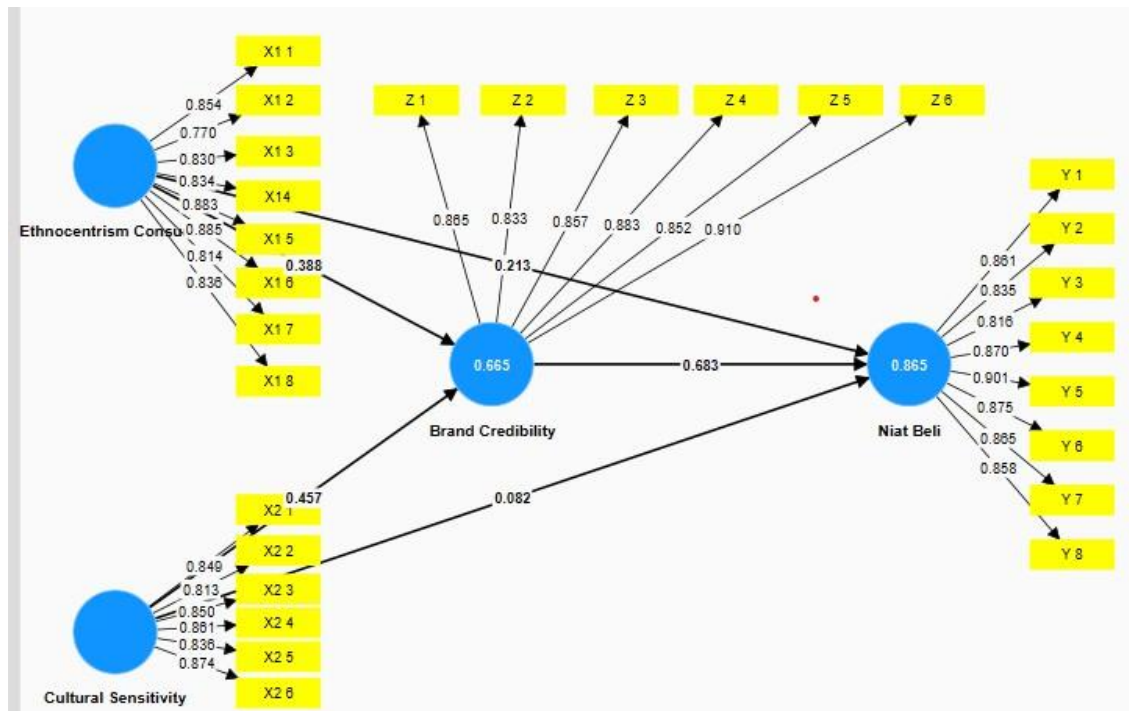


Figure 1. Structural Model Results

The findings of this study provide valuable insights into the role of consumer ethnocentrism, cultural sensitivity, and brand credibility in influencing purchase intention toward Wardah cosmetic products in Medan City. The results demonstrate that consumer ethnocentrism significantly affects brand credibility but does not have a direct effect on purchase intention. This implies that while ethnocentric consumers strongly perceive local products like Wardah as credible and aligned with their national loyalty, such attitudes may not automatically translate into actual buying intention unless credibility is established. These findings are consistent with Shimp and Sharma's (1987) conceptualization of ethnocentrism and further supported by Ramadania (2018) and Fauzi and Asri (2020), who highlighted that ethnocentrism encourages consumers to value local products. However, the absence of a direct effect on purchase intention is in line with previous studies that emphasized the mediating role of brand-related factors in converting ethnocentric attitudes into purchase behaviors.

Cultural sensitivity was also found to significantly enhance brand credibility but, similarly to ethnocentrism, did not directly influence purchase intention. This result supports the argument of Nasabi et al. (2017) and Darnawan and Sumar (2024), who noted that cultural sensitivity shapes consumer perceptions and strengthens trust in a brand, but may not serve as a strong determinant of purchase behavior on its own. For Wardah, this highlights that cultural marketing strategies, such as emphasizing Islamic values and employing Muslim brand ambassadors, primarily function to build credibility rather than directly trigger purchasing. Brand credibility emerged as the most critical variable in this study, exerting both direct and mediating effects on purchase intention. The significant influence of credibility aligns with Kotler (2015), Lod and Tessa (2020), and Munandar et al. (2018), who noted that credibility reduces uncertainty, enhances trust, and strengthens consumer commitment to purchase. The mediating role of credibility demonstrates that consumer ethnocentrism and cultural sensitivity require trust-based mechanisms to effectively drive purchase intention. This finding enriches the Theory of Planned Behavior (Ajzen, 2020) by showing that brand credibility acts as an extension of perceived behavioral control, bridging attitudinal and normative factors with behavioral intention.

From a theoretical perspective, this study extends the TPB framework by confirming that ethnocentric and culturally sensitive values are not sufficient to ensure purchase intention unless mediated by credibility. This novelty highlights the importance of trust as a central construct in consumer behavior research, particularly in markets dominated by local brands competing with global players. From a practical standpoint, the findings carry important implications for marketing strategy. For Wardah and similar local cosmetic brands, emphasizing national pride and cultural identity remains vital for positioning. However, such efforts should always be accompanied by credibility-building measures, such as consistent product quality, transparent halal certification, and endorsements from credible public figures. These elements serve as the critical drivers that convert favorable consumer attitudes into concrete purchase decisions. Despite these contributions, the study acknowledges several limitations. The

sample was limited to Medan City, which may not fully represent consumer behavior across Indonesia's diverse regions. Moreover, the reliance on self-reported survey data raises the potential for bias. Future research should extend the geographical scope, adopt longitudinal approaches to capture changes over time, and explore comparative studies between domestic and international cosmetic brands.

CONCLUSION

This study examined the effects of consumer ethnocentrism and cultural sensitivity on purchase intention, with brand credibility as a mediating variable, in the context of Wardah cosmetic products in Medan City. The results confirmed that consumer ethnocentrism and cultural sensitivity significantly enhance brand credibility, and brand credibility in turn positively affects purchase intention. However, both consumer ethnocentrism and cultural sensitivity did not directly influence purchase intention. Instead, their effects were fully mediated through brand credibility. These findings extend the Theory of Planned Behavior (Ajzen, 2020) by demonstrating that attitudinal (ethnocentrism) and normative (cultural sensitivity) factors are not sufficient to drive behavioral intention unless mediated by mechanisms of trust and reliability represented by brand credibility. The novelty of this study lies in emphasizing the mediating role of credibility, which transforms cultural and ethnocentric values into actionable purchase intentions.

From a practical perspective, the results suggest that Wardah and similar local cosmetic brands should not rely solely on consumer ethnocentrism or cultural sensitivity in their marketing strategies. Instead, they must continuously strengthen brand credibility through consistent product quality, transparent halal certification, and endorsement by credible public figures. These elements are essential in converting favorable consumer attitudes into actual purchasing behavior. Several limitations should be acknowledged. The study was limited to Medan City, which may restrict the generalizability of the findings to other regions in Indonesia. Additionally, the reliance on cross-sectional survey data limits the ability to capture changes in consumer attitudes and intentions over time. Future studies are encouraged to extend the geographical scope, employ longitudinal research designs, and conduct comparative analyses between domestic and international brands to provide deeper insights.

In conclusion, this study contributes to both theory and practice by highlighting the central role of brand credibility in strengthening consumer purchase intentions for halal cosmetic products. The findings underscore the importance of trust as a strategic asset for local brands competing in increasingly competitive and culturally diverse markets.

ETHICAL CONSIDERATIONS

The authors declare that the use of AI-based tools (ChatGPT, OpenAI) in this study was limited to language editing and manuscript refinement. All research processes—including research design, data collection, statistical analysis, and interpretation of results—were fully conducted by the authors. The responsibility for the accuracy and integrity of the findings lies solely with the authors.

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