

A STUDY ON THE CHARACTERISTICS OF CONSUMER MARKETS IN ARAB COUNTRIES UNDER THE BACKGROUND OF THE BELT AND ROAD INITIATIVE: TAKING COUNTRY SAUDI ARABIA AS AN EXAMPLE

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ABSTRACT

Belt and Road Initiative BRI is considered to be the most important and significant initiative taken by China. The role of BRI is very important and crucial for the globalization aspect and it shows the innovative mindset of China. In other words, the role of BRI in setting new and innovative trends of globalization is quite important. The major focus of China is on the strategic development of the economy based partnerships with various countries and BRI is considered to be an inclusive initiative by China in this regard. Saudi Arabia is considered an important part of this initiative. BRI provides the proper direction to the economy of Saudi Arabia towards development and thus creates a favourable environment and scenario in the market for China so that the trading activities can be performed smoothly and with cooperation. In this regard, the current study has been conducted in order to explore the impact of BRI on the consumer market characteristics of Saudi Arabia. The study was a mixed-method study in which both qualitative and quantitative data was collected. The results indicate that the impact of consumer ethnocentrism on purchase intention is positively significant. In the same way, the impact of animosity and availability of domestic products are also having significant impacts on purchase intention. In the case of the moderation effect of the country of origin effect, except for foreign travel interest, its moderating impact is significant in the case of all other independent variables.

Keywords: BRI, China, Saudi Arabia, Consumer Market, Purchase Intention, Chinese Products

1. Introduction

China is considered the second-largest economic power in the world indicating a strong economic position. In addition, the largest exporter and the third-largest investor are the

characteristics associated with China as well. Based on all these facts, it is quite clear that the role of the development plans and strategies will have a good impact on the globalization in future. In this regard, China has worked on several international initiatives and plans such as the Asian Infrastructure Investment Bank AIIB, BRICS New Development Bank NDB, the famous Belt and Road Initiative BRI and the national Silk Road Fund to be the most important and significant ones. The role of BRI is very important and crucial for the globalization aspect and it shows the innovative mindset of China (Jin, 2015). In other words, the role of BRI in setting new and innovative trends of globalization is quite important. This initiative had received a great deal of acceptance and support from people. It has been argued that BRI is a kind of contest of development among different countries such as China, the United States and various other western countries (Fukuyama, 2016). It has also been discussed that BRI might also be considered as one of the bases on which the fate of Eurasia depends in the future (Y. Kim & Indeo, 2013). The major focus of China is on the strategic development of the economy based partnerships with various countries and BRI is considered to be an inclusive initiative by China in this regard. The developments which China has emphasized through BRI include investment, employment, economy and infrastructure as well. The inclusive nature of the initiative is based on the inclusive experience of China regarding development in which the quicker results, self-sufficiency, involvement of fewer income actors in the context of goods, services and work and finally the provision of affordable goods and services are some of the major aspects. In this model of BRI, the state and the market are very much accompanied by each other in a social context. In an economic context, it has the ability to create a win-win situation and net gains for the country. In the similar way, in political and strategic contexts as well, the overall goal of China is to create an overall inclusive international platform through BRI, so that the economic globalization can blossom and benefits different countries in the world (Liu & Dunford, 2016).

Figure 1: China Exports to Saudi Arabia (2011-2018)



Saudi Arabia is considered an important part of this initiative. Saudi Arabia has a great extent of energy resources which provides more chances of development in the country. As far as the oil prices are concerned, their fluctuation does not have a significant impact in this regard. BRI provides the proper direction to the economy of Saudi Arabia towards development and thus creates a favourable environment and scenario in the market for China so that the trading activities can be performed smoothly and with cooperation (M. Chen, 2016). The purchase intention of the Saudi public towards Chinese products is an important point to be considered in this regard. Various studies have been conducted in this regard and it has been discussed by them that there are certain factors such as quality of product, ethnocentrism, patriotism etc. that have an impact on foreign products purchase intention of the consumers (Kaynak & Kara, 2002; Özsomer, 2012; Wang & Chen, 2004). Based on the importance of this concept, several studies have been carried out at the national level, the purpose of whom is to understand that what are the factors that influence the purchase of foreign products or brands by the consumers (Villar, Ai, & Segev, 2012; Zhou & Hui, 2003). In the context of Saudi Arabia, studies have shown that the situation of the local products is quite weak as there are not so many entrepreneurs in the country that might enhance the positive image of the local products and many of the businesses there sell foreign products (Alekan, Al Anazi, & Nik Mat, 2013).

Table 1: China Exports to Saudi Arabia by product Type

China Exports to Saudi Arabia by product Type	Value
Electrical Equipment	\$2.89 B
Machinery, Boilers	\$1.95 B
Furniture, Lighting Signs	\$1.42 B
Iron and Steel	\$924.6 M
Apparel, Knit	\$871.19 M
Apparel, Not Knit	\$798.98 M
Plastics	\$699.61 M
Vehicles	\$681.02 M
Ceramic Products	\$534.95 M

The Belt Road Initiative of China is supposed to enhance the trade between different countries and result in the growth and development of economies. However, in Arab countries such as Saudi Arabia, BRI has not been fully utilized, which might be due to the trade barriers or other such

policies that hinder the trade. This results in the lack of international relations between these countries and China and also represents the lack of economic growth. The role of BRI must be made clear by understanding its impact on the consumer market characteristics of Saudi Arabia so that the factor underlying this problem can be explored. In the past, various studies have been conducted with the aim to explore the role of BRI and its related aspects as well. Some studies have tried to find out the impact of BRI on the consumer market characteristics with the focus on the purchase behaviour of the consumers and the overall market. But no studies have been found that have tried to investigate that how BRI impacts the consumer market characteristics in Arab Countries, especially Saudi Arabia. Therefore, to fill this gap, the current study has been conducted, having the following objectives;

- To analyze the impact of the Belt and Road Initiative on the consumer market characteristics in Saudi Arabia
- To find out the impact of consumer ethnocentrism on purchase intention of Chinese products
- To find out the impact of animosity on purchase intention of Chinese products
- To find out the impact of interest in foreign travel on purchase intention of Chinese products
- To find out the impact of the availability of domestic alternatives on the purchase intention of Chinese products
- To determine the moderating role of country of origin effect in the study

The study will be practically significant especially for the economy of Saudi Arabia as the businesses will understand how BRI impacts their consumer market characteristics and they will be able to derive benefit from BRI. The study will also be significant for the policymakers as they will be able to devise policies that will be favourable for BRI and trading between China and Saudi Arabia. The study will cover both the individual and overall consumer market aspects.

2. Literature Review

2.1 Market Demand Situation of Imported Chinese Goods in Saudi Arabia

Saudi Arabia is considered as 20th largest exporter and 32nd largest importer all over the world, and China is the main import partner of this state in order to attract foreign investment, international trade and diversify the non-oil sectors. In order to attain a trade balance, this state faced a major fluctuation in the oil prices and its related demand in the global market. So with the

aim to stabilize its economic position, the Saudi government made some long-lasting trade contracts with this developing nation. According to Bozorgmehr Sharafedin, the fall in oil prices result in the deepest monthly price cuts to the supply for Asia especially China which is the biggest importer of Saudi oil (Sharafedin, 2020). This point was also discussed by Reem Khamis and others in understanding the strategic approach of the Saudi government towards oil price fluctuation and concluded that such reduction in oil prices motivate its government to make a sustainable contract with industrial nation i.e. China (Khamis, Anasweh, & Hamdan, 2018). According to Nasar Al-Tamimi, Saudi Arabia considered China as an enormous potential market and the strategic partner in order to survive in the competitive market (Al-Tamimi, 2012).

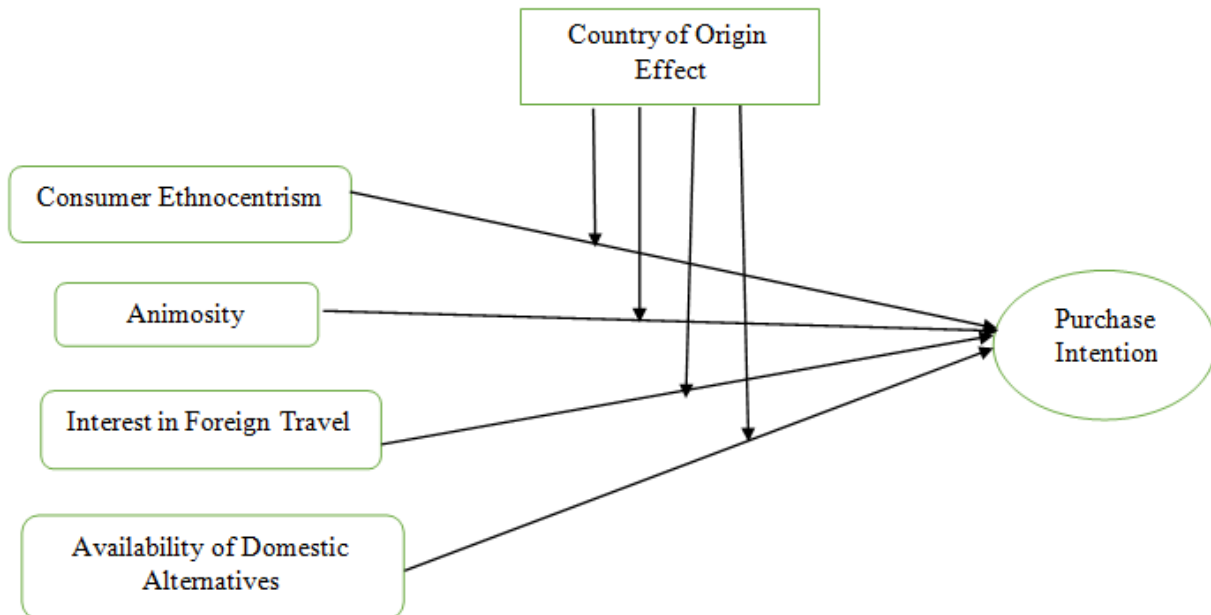
2.2 Belt and Road Initiative based China's Export Status to Saudi Arabia

BRI based contract between China and Saudi Arabia has a major aim to increase the overall economic growth of both states in the field of automation and optimization, ports and terminals, environment and sustainability, end-to-end supply chain, shipping lines, global trade, digitalization and smart technologies. Overall, the Saudi government has a 2030 vision focused initiative to enhance its pragmatic corporation on infrastructure construction, energy, high tech and finance (Alaa.abomousa, 2019). According to Juan Chen and others (2018), there are many developmental opportunities and challenges faced during aligning of Belt and Road initiatives with the Saudi Arabian state i.e. people-to-people exchanges, policy coordination, unimpeded trade, infrastructure connectivity, financial integration and policy integration (J. Chen, Shu, & Wen, 2018). Also, a similar research conducted by Xuming Qian and Jonathan Fulton in the same year concluded that China is a major economic partner for the GCC i.e. Saudi Arabia, after considering their political-economic relationship, trade, infrastructure, trade, trade and construction projects. This BRI helps to fulfil the need of both the states in quite a diplomatic way (Qian & Fulton, 2017).

2.3 Theory of Planned Behavior

According to the Theory of Planned Behavior (TPB), the purchase intention is majorly based on exploring the attitudes, perceived behavioural control, and subjective norms that directly help to predict the buying intention and ensure to predict about their behavioural pattern (Steinmetz, Knappstein, Ajzen, Schmidt, & Kabst, 2016; Sussman & Gifford, 2019; Yadav & Pathak, 2017).

It means the consumer behaviour of Saudi consumers towards the Chinese products can be analyzed through this theoretical understanding, and its related framework is mentioned below;

Figure 2: Theory of Planned Behavior-based framework

2.4 Consumer Ethnocentrism and Purchase Intention

In order to exaggerate the influence of consumer ethnocentrism on the overall purchase intention of domestic consumers, research conducted by Marina Tomic Maksan and others in which they concluded that such ethnocentrism caused a direct and positive impact on the overall attitude towards the domestic wine purchase under the mediating effect of their attitude factor (Maksan, Kovačić, & Cerjak, 2019). In 2018, Alia El Banna with others stated that dual ethnocentrism among the ethnic consumers generated different outcomes based on their feelings that may impact their buying attitude (El Banna, Papadopoulos, Murphy, Rod, & Rojas-Méndez, 2018). In the same year, important research was conducted by Jonna Baquillas by considering the consumers' ethnocentrism towards their purchase intention in buying local or foreign items. According to this scholar, there is a direct influence of cosmopolitanism and national identity on the purchase intention of a local brand, while the constructs were unable to show a significant impact on the purchase intention of foreign brands. Also, consumer ethnocentrism plays a significant mediating role in strengthening the national identity-based purchase intention of a local brand (Baquillas, 2018). After considering the previous scholar's point of view on related variables and their relationship, the following hypothesis has been proposed;

H1: There is a significant relationship between Consumer Ethnocentrism and Purchase Intention

2.5 Animosity and Purchase Intention

In the International Business and Law, Zehan Feng and Guohong Yu majorly considered the relationship between animosity and purchase intention to understand the consumers' willingness to purchase, and concluded that there is a strong interactive relationship between consumer animosity and perceived quality; but for a high-quality product, an insignificant impact of consumer animosity on the purchase intention and product judgment has been seen. While in a low-quality brand, a negative impact of consumer animosity occurred on both behaviour and attitude levels (Feng & Yu, 2016). According to Puneet Rai (2019), there are differences in customer animosity and ethnocentrism tendencies towards China across income class, gender and educational background. According to them, animosity towards China has a strong impact on the purchase intention of Chinese products, while the customer ethnocentrism tendencies are unable to generate a significant influence on the purchase intention towards Chinese products (Rai, 2019). In 2017, Ji Eun park and Sung-Joon Yoon majorly worked on explaining the consumer animosity and its influence on the overall product involvement towards purchase intention and concluded that both consumer susceptibility and ethnocentrism caused a major influence on animosity, while the animosity negatively enhanced the purchase intention towards high-involvement products (Park & Yoon, 2017). So, the following hypothesis has been suggested;

H2: There is a significant relationship between Animosity and Purchase Intention

2.6 Interest in Foreign Travel and Purchase Intention

According to Mazni Saad and others, globalization and inter-state trading motivate the majority of local consumers to utilize foreign travel services in their lives. They considered the foreign people's interest and experience towards Malaysian tasty foodie items that motivate them to visit this developing state. According to their outcomes, the characteristics regarding local Malaysian food and environmental factor caused a significant influence on the overall foreign tourists' willingness to purchase (Saad, AbdulRahman, & Umadi, 2019). In the same year, another important research was conducted by Jian Mou and others to evaluate the product description and its influence on purchase intention in cross-border e-commerce by majorly focusing on the psychological perspective. According to their covariance-based structural equation, the high-quality product description caused no significant impact on the purchase intention, but a significant positive influence occurred on the product affective involvement, product cognitive involvement and platform situational involvement (Mou, Zhu, & Benyoucef, 2019). Therefore, the following hypothesis has been suggested;

H3: There is a significant relationship between Interest in Foreign Travel and Purchase Intention

2.7 Availability of Domestic Alternatives and Purchase Intention

Meletios Niros and others (2018) majorly worked on evaluating the consumer behaviour towards purchasing a domestic or foreign product by stating that tendency to purchase the domestic product directly impacts branding strategies within a state. These scholars majorly worked in exaggerating the Customer Equity Drivers and concluded that customer equity drivers directly strengthen a positive relationship between the value equity and purchase intentions (Niros, Pollalis, & Niros, 2018). In 2019, Lyudmyla Potrashkova and others majorly conducted empirical research to understand the availability and implementation of consumer's socially responsible intention and concluded that there is a high level of respondents' willingness to directly support the socially responsible enterprises and a rather low level of intention due to lack of consumers' awareness. It means the majority of the respondents are willing to purchase socially responsible and socially active enterprises (Potrashkova, Raiko, Tseitlin, Savchenko, & Nagy, 2019). In recent years, Sargam Bahl Walia and others majorly worked on exploring the influence of brand consciousness, product availability, perceived quality of services and price sensitivity on the overall purchase intention towards green products, and in the end concluded that all these testing indicators caused a significant impact on the overall purchase intention of the consumers in a market (Walia, Kumar, & Negi, 2020). Hence, the following hypothesis has been proposed after evaluating the previous research studies;

H4: There is a significant relationship between Availability of Domestic Alternatives and Purchase Intention

2.8 Moderating Role of Country of Origin Effect

The country of origin factor plays a major role in strengthening the influence of overall external motivation of consumers to make a purchase decision and this point was majorly considered by Chia-Lin Hsu and others by concluding that country of origin and price sensitivity directly enhanced the favourable purchase intention (Hsu, Chang, & Yansritakul, 2017). In the same year, the other scholars concluded that ethnocentrism, animosity, and significant availability of domestic alternatives in the fashion field directly enhanced the appropriate purchasing decisions (N. Kim, Chun, & Ko, 2017). In 2018, similar research was conducted by other scholars who concluded that country of origin, consumer animosity, and ethnocentrism directly impact consumer intention towards laptop purchase (Park & Yoon, 2017). Therefore, the following hypotheses have been suggested after analyzing the previous research studies;

H5: There is a significant moderating role of Country of Origin Effect between Consumer Ethnocentrism and Purchase Intention

H6: There is a significant moderating role of Country of Origin Effect between Animosity and

Purchase Intention

H7: There is a significant moderating role of Country of Origin Effect between Interest in Foreign Travel and Purchase Intention

H8: There is a significant moderating role of Country of Origin Effect between Availability of Domestic Alternatives and Purchase Intention

3. Methodology

3.1 Mixed Method of Research

In order to critically understand the characteristics of the consumer market in Saudi Arabia under the influence of the Belt and Road Initiative, a mixed method of research is majorly considered within this paper in which both quantitative and qualitative type of data collection methods are used in order to derive a constructive outcome and fulfil its aim. This type of research methodological approach directly helps to significantly offset the weaknesses of both qualitative and quantitative research data, and develop a versatile outcome-based research study. In order to quantitatively justify the thesis statement of this research paper, consumer ethnocentrism, animosity, interest in foreign travel and availability of domestic alternatives are considered as independent variables, purchase intention is studied as a dependent variable, while country of origin act as a moderator in this research study.

3.2 Data Collection and Measures

The data collection mechanism of this paper is majorly divided into two major primary sources of research approaches i.e. quantitative and qualitative. In quantitative research-based data collection mechanism, an online survey was conducted in which different closed-ended questions were randomly distributed to the consumer market who were the active user of Chinese products. Before randomly distributing the online questionnaire to targeted participants, this survey questionnaire was firstly approved by the supervisor and related research experts. After their confirmation, this study questionnaire was distributed among Saudi consumers by utilizing online sources. In order to measure consumer ethnocentrism, 17 tested items were adopted from (Nik-Mat, Abd-Ghani, & Al-Ekam, 2015). Well, the country of origin was measured through 4 items that were already utilized by (Haque et al., 2015). While animosity was measured by four indicators and customer intention measured through five testing indicators that were already utilized by (Khemchotigoon, 2014). The interest in foreign travel was measured through four testing indicators adopted from (Nik-Mat et al., 2015). While the availability of domestic alternatives was measured through three indicators adopted by (Nijssen, Douglas, Bressers, & Nobel, 1999). In the quantitative data collection, a seven-point Likert scale was used in order to

critically categorize the consumers' responses on the tested variables and their related relationships.

Well, as far as its qualitative research-based data collection mechanism is concerned, different marketing managers, experts, businessmen, economists and analysts within Saudi Arabia were majorly considered to collect their understanding towards the influence of the Belt and Road Initiative on the Saudi consumer market. In this online interview-based data collection, four major open-ended questions were asked from the Saudi professionals and business market experts i.e. 1) Do you think that Belt and Road Initiative directly increased the overall demand of Chinese products in the Saudi consumer market? 2) Have you currently seen a major deviation in the switching cost of Saudi consumers, after considering the Chinese technological products as an alternative source to buy the devices? 3) Either the overall import of Chinese products within this state becomes high due to Belt and Road Initiative or not, what do you say about it? 4) Are you sure that there is a need for Chinese products and services in the current Saudi consumer market?

3.3 Data Analysis Method

In order to critically justify the thesis statement in a quantitative type of research analysis, different authentic statistical tests will be implemented whose outcomes help to justify/ nullify the hypothesis. Like in this study, structural equation modelling (SEM) and moderating analysis based constructive outcomes will be generated in its analysis portion. Structural equation modelling is a multivariate statistical analysis technique that is used to analyze structural relationships (Mueller & Hancock, 2018; Ravand & Baghaei, 2016). This technique is an informative combination of factor analysis and the multiple regression analysis that is used to analyze the structural relationship between the measured variables and latent constructs (Awang, Afthanorhan, & Mamat, 2016; Fan et al., 2016). In this study, its major category of confirmatory factor analysis is used in order to understand and measure such constructs that are consistent with the understanding of nature of that construct and significantly testify that whether data directly fit a hypothesized measurement model (Ahmad, Zulkurnain, & Khairushalimi, 2016). In order to critically evaluate the moderating role of country of origin between independent and dependent variables, a moderating analysis based on constructive outcomes will be generated whose authentic information will help to understand the third variable influence on the relationship between two variables (Fernández-Laviada, López-Gutiérrez, & San-Martín, 2020; Martin, Cormican, Sampaio, & Wu, 2018). In addition to this, the descriptive outcome of psychological understanding based interviews will be analyzed through framework and word cloud based analysis that directly help to understand this BRI implication in real Saudi consumer market.

4. Data Analysis

4.1 Quantitative Data Analysis

Demographics

The demographics of the respondents indicate that there are 54.9% males and 45.1% females in the selected sample of the respondents. In addition, it is also clear that most of the respondents are having ages either less than 25 years or from 25 to 35 years i.e. 32.3% and 39.8% respectively. Lastly, the education of the respondents indicates that most of the respondents are having completed their Bachelors i.e. 43.6%.

Descriptive Statistics

The minimum and maximum values i.e. from 1 to 5 indicate that the data is having the values in accordance with the five-point Likert scale. The mean values are found to be around 3 and thus representing the neutrality of the collected data. Lastly, the values of skewness between -1 and 1 indicate the normal distribution of the data.

Table 2: Descriptive Statistics

	N	Minimu m	Maximu m	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error
ConsEthn	337	1.00	5.00	3.2552	1.06003	-.134	.133
ConsAnim	337	1.00	5.00	3.3212	1.01318	-.323	.133
InFoTrad	337	1.00	5.00	3.4199	1.22059	-.351	.133
AvDoAlter	337	1.00	5.00	3.2601	1.14228	-.344	.133
CofOrig	337	1.00	5.00	3.5608	1.13554	-.453	.133
PurcInten	337	1.00	5.00	3.3323	1.12652	-.384	.133
Valid N (listwise)	337						

KMO and Bartlett's Test

As per the results of the KMO test, the value obtained is 0.925, which is very close to 1 and shows that the data collected can be used to perform the factors analysis. Moreover, the result of Bartlett's test has shown that the significant value associated with it is less than 0.05 which indicates that there is no factor redundancy found and the factor analysis can be performed on the collected data.

Table 3: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.925
Bartlett's Test of Sphericity	Approx. Chi-Square	7944.287
	Df	253
	Sig.	.000

Rotated Component Matrix

As per the results of the current study, the values of almost all the indicators can be seen as greater than the required value i.e. 0.7 and thus all of them are supposed to have sufficient contribution to the study. In addition, the cross-loading has also been found absent indicating the reliability of the data.

Table 4: Rotated Component Matrix^a

	Component					
	1	2	3	4	5	6
CE1				.813		
CE2				.872		
CE3				.828		
CE4				.788		
CA1			.836			
CA2			.809			
CA3			.808			
CA4			.832			
FT1	.823					
FT2	.860					
FT3	.837					
FT4	.810					
DA1						.751
DA2						.821
DA3						.785
CO1		.812				
CO2		.812				
CO3		.853				
CO4		.847				
PI1					.681	
PI2					.678	
PI3					.870	
PI4					.869	

Convergent and Discriminant Validity

In the case of convergent validity, the value of CR must be greater than 0.7 and that of AVE must be greater than 0.5 and the value of MSV is less than AVE. In the case of discriminant validity, the self-correlation values are greater than the others, thus indicating that the data is valid.

Table 5: Convergent and Discriminant Validity

	CR	AVE	MSV	CO	CE	CA	FT	DA	PI
CO	0.930	0.768	0.318	0.876					
CE	0.922	0.747	0.325	0.511	0.864				
CA	0.934	0.780	0.325	0.564	0.570	0.883			
FT	0.939	0.793	0.349	0.511	0.520	0.500	0.891		
DA	0.889	0.728	0.508	0.421	0.405	0.446	0.591	0.853	
PI	0.940	0.800	0.508	0.458	0.425	0.508	0.478	0.713	0.894

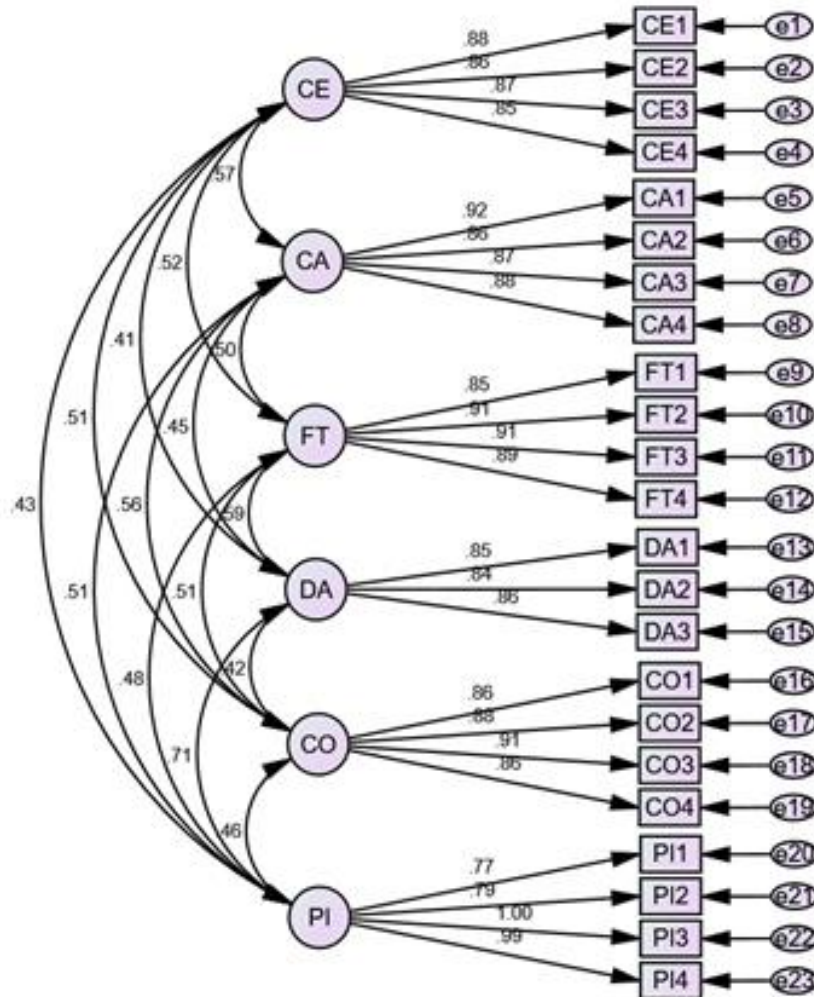
Confirmatory Factor Analysis

In the case of confirmatory factor analysis, in the current study results, the observed values obtained by the analysis are in accordance with their respective threshold values. For example, the value observed for GFI is 0.882 which is greater than 0.8, which is the threshold value. This proves that the model and data are fit for the study.

Table 6: Model Fit Indices

CFA Indicators	CMIN/DF	GFI	IFI	CFI	RMSEA
Threshold Value	≤ 3	≥ 0.80	≥ 0.90	≥ 0.90	≤ 0.08
Observed Value	2.473	0.882	0.960	0.960	0.066

Figure 2: CFA



Structural Equation Modeling

The results of SEM show that in the case of direct effects, the impact of consumer ethnocentrism on purchase intention is positively significant and it will increase by 11.8% with the increase of ethnocentrism. In the same way, the impact of animosity and availability of domestic products are also having significant impacts on purchase intention. In other words, the purchase intention of foreign products decreases by 21.5% with an increase of one percent animosity and an increase by 57.2% with a one percent increase in the availability of domestic products. In the case of the moderation effect of the country of origin effect, except for foreign travel interest, its moderating impact is significant in the case of all other independent variables.

Table 7: Structural Equation Modeling

	Direct		Estimate	S.E.	C.R.	P
PurcInten	<---	ConsEthn	.118	.045	2.778	.005
PurcInten	<---	ConsAnim	-.215	.047	5.055	***
PurcInten	<---	InFoTrad	.046	.041	1.026	.305
PurcInten	<---	AvDoAlter	.572	.041	13.778	***
	Moderation		Estimate	S.E.	C.R.	P
ZPurcInten	<---	CExCOO_Int1	.096	.033	2.528	.011
ZPurcInten	<---	CAXCOO_Int2	.084	.031	2.209	.027
ZPurcInten	<---	FTxCOO_Int3	-.050	.031	-1.328	.184
ZPurcInten	<---	DAXCOO_Int4	-.086	.031	-2.276	.023

Figure 3: SEM

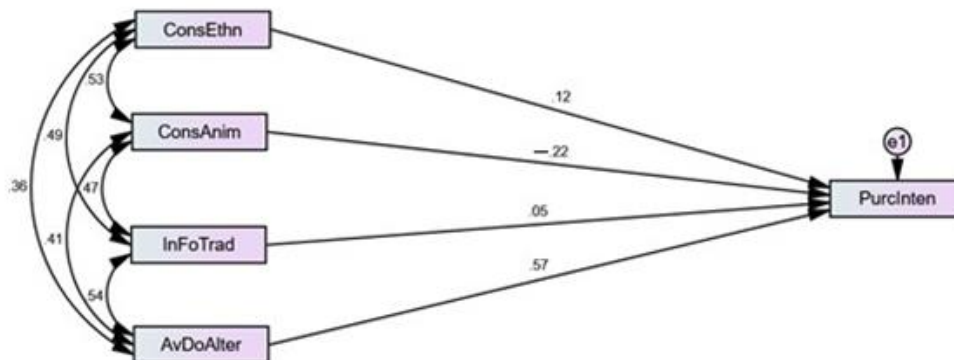


Figure 4: Moderating effect of COO between CE and PI

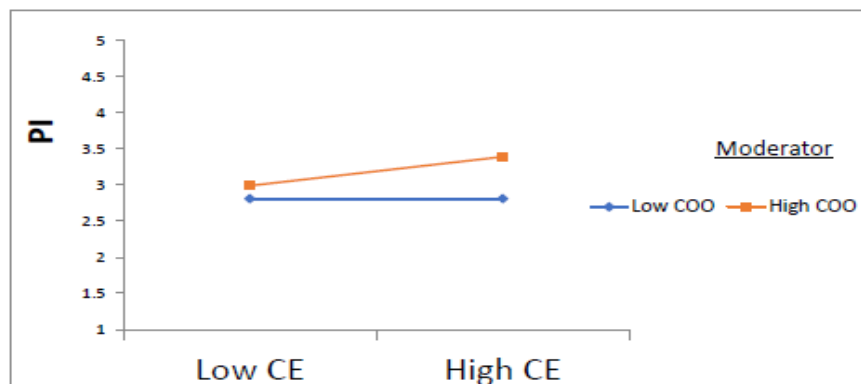


Figure 5: Moderating effect of COO between CA and PI

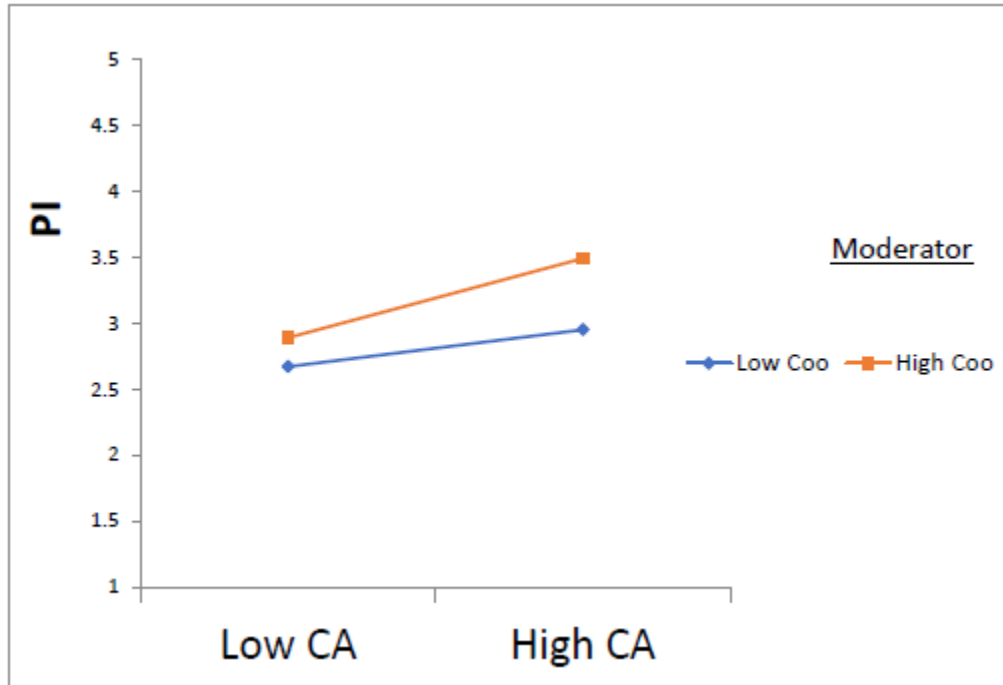


Figure 6: Moderating effect of COO between FT and PI

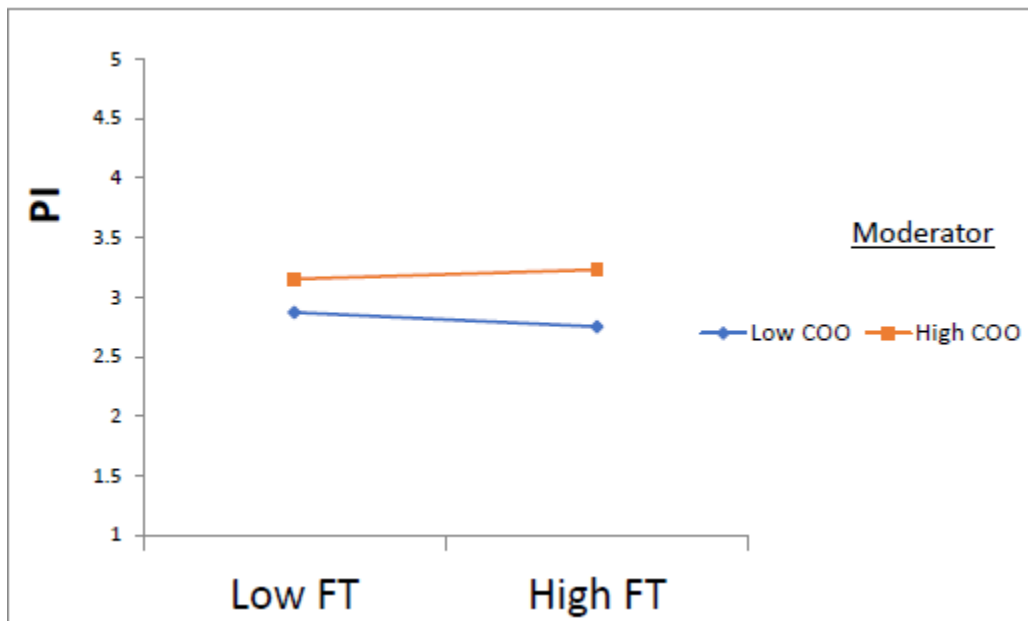
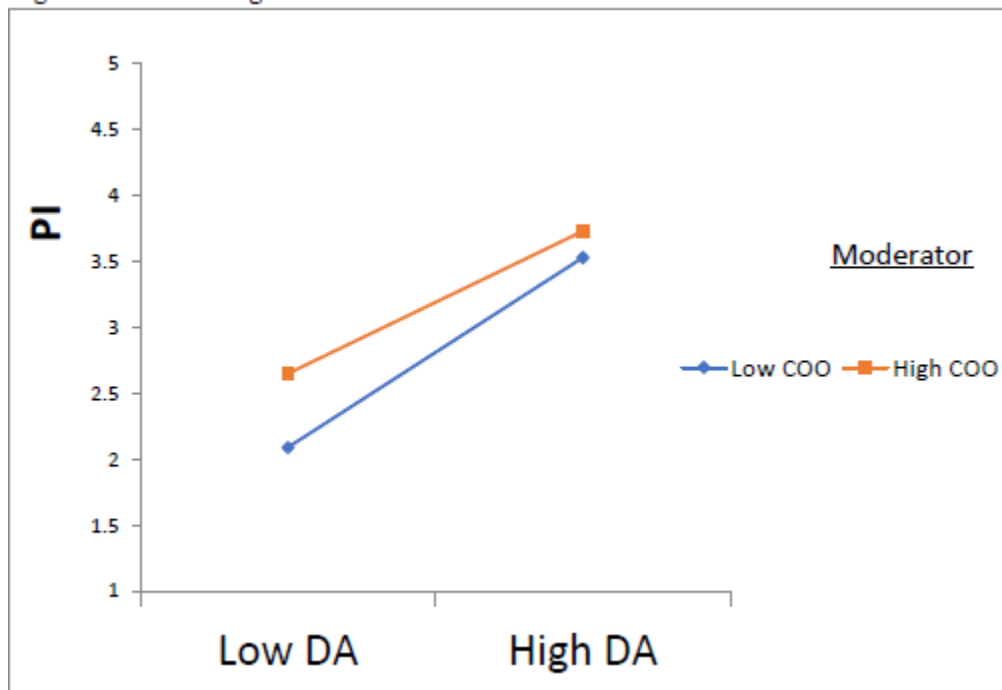


Figure 7: Moderating effect of COO between DA and PI



Qualitative Analysis

According to the above framework based analysis table, it becomes clear that BRI created more opportunities for Saudi Arabia and its consumer market to access high-quality products more easily. According to Saudi professionals and analysts, there is an expectation that such trading of commodities between this state and China will increase in upcoming years that will be favourable for both economies.

Table 8: Framework Based Analysis

Main Theme	Common Response	Unique Response	Implication
Increased Demand of Chinese Products in Saudi Arabia	Overall demand of Chinese products within Saudi state increased due to diverse and high-quality items with flexible prices	BRI plays a major role to upgrade the consumer market demand towards the advanced digital environment by exploring new ways of infrastructural development, finance	In the current era, BRI based China-Saudi collaborative waved a positive sign to overall increase the diversity factor within the Saudi state by motivating different Chinese products to enter

		and high- tech factors	into this new market.
Deviation in Switching Cost of Saudi Consumers towards Chinese High-Tech products	Switching cost of local Saudi consumers towards the Chinese mobile phones, tabs, laptops and other technological devices is continuously increasing because of their high technical features and 5G network-based advanced services	An Excessive consumer's intention towards purchasing high-tech Chinese goods may cause a drastic downfall in demand for US and UK technological devices in this region.	Most Saudi consumers preferred Chinese products as compared to other foreign items that may impact the international relation of this state with other developed nations due to high consumers' switching cost
Excessive Import of Chinese Products	The majority of Saudi consumers are interested to purchase Chinese mechanical & electrical products, Transport & machinery equipment, and other automatic data proc- Eq & components in their daily usage,	China is the largest oil client for this state; so in order to secure the long-term economic growth of Saudi Arabia, the trading graph of Chinese products and services is expected to further increase in the upcoming years with the aim to convert its basic economic model to industrial development state.	The Saudi government wants to convert its traditional oil exportation with non Oil industrial development, that's why collaborate with Chinese BRI's project and imported massive Chinese items.
Need of Chinese Products in Current Consumer Market	There is a need for BRI focused Chinese Products trading to Make an infrastructural development and also enhance the tourism industry.	It is essential for the growth of the Saudi economy in upcoming years through cultural exchange and excessive foreign trading	BRI based Chinese products trading will directly encourage new jobs and business opportunities by diversifying the consumer market that directly enhance the overall economic growth of the Saudi state.

According to the above framework based analysis table, it becomes clear that BRI created more opportunities for Saudi Arabia and its consumer market to access high-quality products more easily. According to Saudi professionals and analysts, there is an expectation that such trading of commodities between this state and China will increase in upcoming years that will be favourable for both economies.

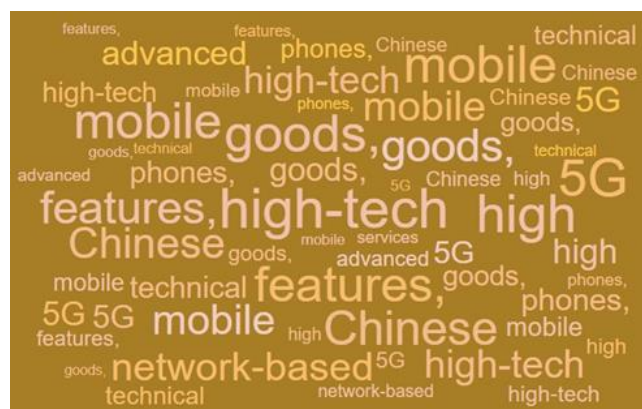
Word Cloud Analysis

Figure 8: Word Cloud Question 1



The above figure depicted that most highlighted words are upgrade market, high consumer demand, development etc. It means upgrade market and high consumer demand are the major outcomes generated due to excessive Chinese products trading.

Figure 9: Word Cloud Question 2



The above figure shows that most highlighted words are high-tech, 5G network-based, Chinese advanced feature goods, mobile etc. It means the deviation cost of Saudi consumers is majorly increased due to Chinese high-tech and 5G network-based products features.

Figure 10: Word Cloud Question 3



This figure indicates that highlighted words include Chinese electrical products, machinery equipment, mechanical etc. It means there is an excessive import of Chinese electric and machinery items within Saudi Arabia.

Figure 11: Word Cloud Question 4



The figure shows that the highlighted words included infrastructural development, cultural exchange, tourism etc. It means that there is a major need for Chinese products trading for Saudi infrastructural development and cultural exchange factors.

5. Discussion and Conclusion

Discussion

The purpose to conduct the study was to explore the impact of BRI on the consumer market characteristics of Saudi Arabia and in this regard, the researcher has carried out a mixed-method study involving both quantitative and qualitative methods. Let us first discuss the quantitative results of the study. The first hypothesis of the study was that the ethnocentrism of the customers is significantly related to the purchase intention of the customers regarding Chinese products. This hypothesis was accepted as a significant relationship was found between these variables. It means that when people judge the other cultures in the frame of reference of their own culture, their intention to purchase the other country's products is increased. These results have been shown by the other researchers as well (Bamber, Phadke, & Jyothishi, 2011). The next hypothesis was that animosity has a significant impact on purchase intention. This hypothesis was also accepted as per the results of the study. A significant relationship was found between animosity and purchase intention and in other words, as the people of a country have negative feelings towards the other country, their intention to purchase the products of that country will be decreased. These results are in accordance with similar past research (Li, Yang, Wang, & Lei, 2012). The third hypothesis was regarding the significant impact of interest in foreign travel on purchase intention. The results have proved this hypothesis as accepted as well. It can be stated based on this result that when the people show more interest in travelling to some other country, they will ultimately have greater intention to buy the products from that country as well. This result has been in line with the literature in a similar context (Nijssen et al., 1999). The fourth hypothesis was that the availability of domestic products has a significant relation with the purchase intention of foreign products. The results obtained by the analysis of the study have proved that this hypothesis is also accepted because of the significant impact of the availability of domestic products on purchase intention. If the domestic products are available but are not having good quality, it will increase the intention of the people to buy the foreign products. Similar results have been shown by the other studies of similar contexts in the past (Prendergast, Tsang, & Chan, 2010). The next four hypotheses are regarding the moderating impact of the country of origin effect and it has been observed that three out of these four hypotheses have been accepted. The hypothesis regarding moderating role in case of interest of foreign travel was not accepted. These results are consistent with the results presented in the past studies. As far as the qualitative results are concerned, it becomes clear that BRI created more opportunities for Saudi Arabia and its consumer market to access high-quality products more easily. According to

Saudi professionals and analysts, there is an expectation that such trading of commodities between this state and China will increase in upcoming years that will be favourable for both economies.

Conclusion

As per the results obtained by the study, it can be concluded that the role of BRI is quite important in the increase of trade between China and Saudi Arabia. Especially the exports are expected to show a considerable increase from China towards Saudi Arabia. Both countries need to develop policies and regulations regarding trade with each other so that smooth trading relationships can be established between the two, leading towards the economic growth and development of the countries. The consumer market characteristics must be focused as well to ensure that the right markets are being selected and targeted to enhance the trading activities.

Implications

There are various implications of the current study in different contexts. In a practical context, this study is useful for the industrial sectors of both the countries as they will be able to know the importance of BRI in the consumer market of Saudi Arabia and it will increase the trading activities among them. In addition, China will face an increase in exports towards Saudi Arabia as well. In a theoretical context, this study is useful as the other researchers and authors will be able to find a good amount of literature regarding the impact of BRI on consumer market characteristics in Saudi Arabia. They will also be able to bring innovation and improvement in the current study in future as well. In the last, in the context of policymaking, the policymakers of both countries will be benefitted from this study as they will get the directions and guidance regarding the formulation of policies and regulations to ensure the increased trading among them through BRI, resulting in the economic prosperity of the countries.

Limitations and Future Research Indications

There are various limitations associated with the current study. Firstly, the sample size of the study is not large enough which results in the lack of enough generalizability of the results obtained over the population of the study. Therefore, the sample size must be increased along with the improvement of the sampling techniques. Moreover, the interview needs to be more comprehensive and must cover more aspects of the related topic in future. In addition, the literature needs to be reviewed more carefully and comprehensively by adding more closely related articles in the review.

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