What Is the Power of Balancing Power?
Exploring Perceived Discrepancy in Relational Power and Its Effects

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Ideally, public diplomacy is expected to facilitate mutually beneficial interactions between state and nonstate entities in different countries. In diplomacy relationships, however, countries often seek unilateral influence over other countries instead of balancing power with them. To date, there is a lack of research on publics’ perceptions of such relational power dynamics between countries. Thus, this study introduces a new construct, perceived power discrepancy, as individuals’ evaluations of the extent of discrepancy between two countries in terms of how they act and communicate to balance power with each other in their relationship. An online survey among Australian citizens was conducted in 2017 (N = 511) regarding the U.S.–Australian relationship. The findings showed that perceived power discrepancy has positive associations with perceived economic threat and that this threat is positively associated with consumer ethnocentrism. Consumer ethnocentrism is positively associated with two behavioral variables: negative word-of-mouth intention and boycott intention toward products from a counterpart country.

Keywords: boycott intention, consumer ethnocentrism, perceived economic threat, perceived power discrepancy, relational power, word-of-mouth

Since United States President Donald Trump took power in 2017, the sentiment of “foreigners have been taking advantage of America” (Hare, 2020a, para. 9) has been salient among many U.S. citizens. Such a nationalistic sentiment has spread to other countries as they, too, have begun to advocate for “self-centered” diplomacy whereby no concerns are shown for reciprocity or engagement with other countries (Hare, 2020a). Australia echoed the “America first” rhetoric with “Australia first” (Anderson, 2017), introducing policies that prioritized its own interests. Although these international strategies are not new, and “America first” does not mean “America alone” (Karabell, 2017), the promotion of this rhetoric has changed foreign publics’ perceptions of the United States and has caused difficulties for the country in coordinating with others to resolve global issues (Ziv, Graham, & Cao, 2019). This self-centered diplomacy has altered how publics perceive power dynamics between their home countries and foreign countries (e.g.,

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“America first, Australia second”; Lieu, 2017). Publics’ observations and experiences of traditional diplomacy contradict the premise of public diplomacy, which promotes dialogue and mutuality (Hare, 2020a, 2020b).

Whereas traditional diplomacy generally refers to the international negotiations between and among countries’ representatives who express and defend their countries’ interests (Gilboa, 2001), public diplomacy is defined as an instrument used by governments to communicate and build relationships with foreign publics (Fitzpatrick, 2007)—it is aimed at winning “the ideological battle for the hearts and minds of people around the world” (Gilboa, 2008, p. 55). Like traditional diplomacy, public diplomacy’s primary purpose is to advance a country’s own interests and values (Gregory, 2011). Public diplomacy, however, achieves its purpose through the strategic efforts to achieve goals that are shared between a country and its foreign publics through a two-way street of engagement (Fitzpatrick, 2017). This engagement has been coined as a “delusion” because the dialogue it promotes contradicts the promotion of self-interest in foreign policy (Comor & Bean, 2012). Hence, Hare (2020b) argues that public diplomacy is “losing its connection with wider diplomacy” (p. 153) and that foreign publics are forming contradictory impressions of countries as a consequence of the divergence in their traditional and public diplomacy efforts. This prompts the research problem that underpins this study: How do publics perceive and react to the balance or imbalance in how countries relate to one another in diplomatic relationships?

According to Baldwin (2016), diplomatic relationships are characterized by relational power and influence. In international relations, relational power is defined as “the capacity of one actor (individual, a group, or a state) to get another actor to do something it would not otherwise do” (Azmanova, 2018, p. 69). Through interactions, countries may seek to gain power over one another. Therefore, power is not merely a property or resource possessed by a country (Baldwin, 2016); rather, it stems from the country’s relationships with other countries and guides its choice of strategies to influence other countries through hard influence tactics, such as persuasion, or soft influence tactics, such as exchanging favors (e.g., Chong, Fu, & Shang, 2013).

Power is a two-edged sword for relationships between and among countries; on the one hand, there is a battle for power to influence (“power over”), while on the other, there is a necessity to engage in consensus-building (“power with”) for cooperative relations (Berger, 2005). Unequal power relations among countries have led to the rise of nationalism, including consumer nationalism (Wang, 2005). In recent years, countries have been engaged in an “information war,” seeking to exert communicative influence using different media platforms (Szostek, 2020). Diplomats are seen to “speak a language of threats, counter-campaigns, and unilateral influence when presenting their work to their political masters” (Cull, 2019, p. 26). Szostek (2020) argues that “more relational” and “diplomatic understandings” (p. 2741) of international influence are needed. Chong and colleagues (2013) have also called for more research on relational power, especially its effects on different outcomes.

In response to calls for more research on relational power, this study’s aims are threefold. First, it aims to provide a reconceptualization of relational power by focusing on the “relationship” and “interactions” among countries. This study adopts a relational perspective to consider power as being exercised in the interactions between two entities for the mutual construction of a relationship (Bou Zeineddine & Pratto, 2017). Second, this study aims to empirically test publics’ evaluations of the difference in power dominance
or balance by introducing a new construct: perceived power discrepancy. An imbalance of power in the relationship can cause perceptions of unfairness among actors who have less power than other actors; this impedes the accomplishments of joint gains in the negotiation between actors in the relationship (Wong & Howard, 2017). Perceived power discrepancy is defined as individuals’ evaluations of the extent of discrepancy among entities in terms of how they exercise tactics of relational power in their relationship, such as ensuring fairness and understanding, or dominating and overpowering the other party. Finally, this study seeks to contribute to the body of knowledge in public diplomacy and international communication by mapping the dynamics of perceived power discrepancy between two countries, consumer attitudes, and behavioral intentions. It demonstrates how and why the discrepancy in relational power in diplomatic relationships can affect how foreign publics perceive and react to products and brands from the country perceived to be dominating another country.

**Conceptualizing Perceived Power Discrepancy**

Individuals are observers of perceived power discrepancy between countries around the world (Robey, 2018). It has been especially prevalent in recent years, when country-sponsored communication has focused on fighting an “information war” to influence international publics via the media rather than practicing “public diplomacy” to pursue reciprocity in understanding and common interests (Szostek, 2020). The success of the information war is measured in terms of one-way influence: changes in opinions, attitudes, and behaviors held by foreign publics. Hare (2020b) conveyed a similar concern, as the nature of diplomatic engagement has shifted into using communication to strive for more power and influence. Thus, there has been growing interest in the effects of power asymmetry in international relations (Baviera, 2015).

In international relations literature, power is, in general, understood in association with coercion (Weale, 1976), which refers to the practice of persuading another entity to do something by force or threat. It is usually measured in the form of hard power, such as a country’s tangible assets, including military and economic resources (Baldwin, 2016). The use of hard power, however, results in perceptions of coercion, which contradicts soft power, which encompasses intangible assets, such as a country’s values and culture, that result in attraction (Nye, 2011). Nye (2011) defines power as “the ability to affect others to get the outcomes one wants” (p. 11) and argues for the importance of differentiating power in relational terms from that of resource terms. A country may impose military and economic sanctions on a counterpart country, causing tensions between the two and changing the power dynamics in their relationship. Such use of hard power could backfire against a country, with the countries being coerced taking an adversarial stance (Nye, 2011). These power dynamics could result in the organizing or changing of relationships (Bou Zeineddine & Pratto, 2017; Partzsch & Fuchs, 2012). There could be detrimental effects when a country seeks to advance its own interests at the peril of its allies’ interests; its allies might choose to work more closely with other countries, damaging the ties of the alliance or even cutting them (Beeson & Bloomfield, 2019). In contrast, relational power is exercised to change behaviors by changing others’ preferences and expectations through “the co-optive means of agenda setting, persuasion, and attraction” (Nye, 2011, p. 16). From the perspective of the balance of power and balance of threat theories (Paul, 2018; Yetiv, 2006), relational power is exercised when a country’s communication and actions are determined based on its consideration of another country’s interests and conditions.
In spite of the extensive conceptualization of relational power in the literature (e.g., Baldwin, 2016; Nye, 2011), there has been a lack of research that conceptualizes and operationalizes power asymmetry (Baviera, 2015), international influence (Szostek, 2020), and the balance of power in relational terms (Baldwin, 2016) through the lens of publics. The current approach to defining and analyzing power in terms of the “balance of tangible assets” is limited in explaining success in outcomes and fails to consider its multidimensionality (Baldwin, 2016) and the relational perspective. In a relationship between two entities, one’s choice of tactics and behaviors toward another entity is affected by knowledge of symmetry and asymmetry in their power dynamics (Wong & Howard, 2017). When there is unequal power distribution underlying the relationship, the involved entities may see their expectations of each other violated (Olekalns & Smith, 2013). In public relations, control mutuality, which refers to the extent to which a party agrees that one party has the rightful power to influence the other in a relationship, is an indicator of relationship quality (Hon & Grunig, 1999). Control mutuality can be improved through dialogue because it enables both parties in the relationship to have shared control over the determination of relational goals and decisions (Sisson, 2017). However, one party may assert unilateral control over the relationship through behaviors to dominate decision-making (Stafford & Canary, 1991). According to Kuhn (2008), power is “encoded in discursive formations, linguistic distinctions, and material resources” (p. 1229) and can be observed as a form of hierarchical relationship in an organization. Power relations would shape the influence of communication flows between the involved entities and the perceptions of one entity’s own capacities and another entity’s capacities to pursue their interests. In the mutual construction of a relationship, relational power is exercised in the interactions between two entities (Bou Zeineddine & Pratto, 2017).

Based on the current conceptualization of relational power, this study is developed with the following propositions. First, existing literature has focused on the “relative” comparison of tangible assets as power (Baldwin, 2016) instead of focusing on relational dynamics in the interactions among countries. Countries make relational efforts to seek to understand each other’s positions for mutually beneficial outcomes (e.g., Wong & Howard, 2017). Power is a multidimensional concept and should be understood not only as a resource or tangible asset possessed by a country, but also as the dynamic range of tactics and behaviors used to relate to another country (Baldwin, 2016; Nye, 2011). Second, relational power originates from a relationship and is exercised when an entity chooses a relational strategy, such as collaboration or pressure, to influence or relate to another entity (Chong et al., 2013). Power is observed and encoded in the interactions (Kuhn, 2008), such as the communication of threats (Simon, 1953). Finally, observations of the exercise of relational power between countries affect individuals’ attitudes and behaviors toward those countries (Baviera, 2015; Carriere, 2016; Wong & Howard, 2017). Here individuals are powerful players who make meanings of social order and valuations of power (Carriere, 2016). When there is a discrepancy in the relational power between two countries, individuals may develop hostility toward the country that fails to consider the other country’s interests and may change their attitudes and behaviors toward products from that country (Amine, 2008). Based on these propositions, this study conceptualizes and empirically tests individuals’ evaluations of the differences between how two countries exercise relational power by introducing a new construct: perceived power discrepancy. It is defined as individuals’ evaluations of the extent of discrepancy between two countries that seek to balance or dominate each other in their relationship through relational acts, such as considering each other’s interests (acts of balance) or taking advantage of the other party (acts of dominance).
Effects of Perceived Power Discrepancy

Perceived Economic Threat

Research in political psychology (e.g., Baviera, 2015; Carriere, 2016) and international marketing (Diamantopoulos, Schlegelmilch, & Palihawadana, 2011) has discussed the potential effects of unequal power relations on individuals’ perceptions and attitudes. Power differences in bilateral relationships could affect perceptions of international trade flows (Gower & Mansfield, 1993) and perceptions of economic threat (W. J. Lee, Cheah, Phau, Teah, & Elenein, 2016). Perceived economic threat is defined as individuals’ appraisals of potential harm and vulnerability to the counterpart country’s economic power being leveraged against their own country and their capacity to address this threat (Matsaganis & Seo, 2014). One possible explanation could be perceptions of increased competition between the counterpart country and the individual’s country, with the counterpart country’s gains being viewed as their country’s losses (Burhan & van Leeuwen, 2016). As a consequence, some individuals choose not to purchase brands from particular countries because of their fear of the power and influence on their home country (Fitzpatrick, Kendrick, & Fullerton, 2011; Fullerton, Kendrick, Chan, Hamilton, & Kerr, 2007). This behavior is prevalent when individuals sense that there are economic threats from another country and that their well-being is under threat by imports from that country (Sharma, Shimp, & Shin, 1995). Considering the possible association between the presence of perceived power discrepancy and perceptions of economic threat, the following hypothesis is proposed:

H1: Perceived power discrepancy is positively associated with perceived economic threat from the counterpart country.

Consumer Ethnocentrism

Consumers are conscious of the country of origin (COO) of the products they buy. When they perceive an increased threat from a country, they may form negative attitudes and resort to engaging in boycotts against brands from that country (Hong, Hu, Prieger, & Zhu, 2011). Previous research on COO effects has mostly defined them as the effects of a country’s image on the perceptions and evaluations of products from that country (White, 2012). Consumers’ receptivity to foreign products is affected by COO (Orbaiz & Papadopoulos, 2003). One cause is consumer ethnocentrism, an economic form of ethnocentrism that originates from one’s love for one’s own country and fear of losing interests to another country (Sharma et al., 1995). According to Sharma and associates (1995), the purchase of foreign products is both an economic and a moral issue for consumers and reflects personal prejudice against imports. Shimp and Sharma (1987) first conceptualized consumer ethnocentrism as a psychosocial construct that reflects individuals’ attachment to their own groups (e.g., their home countries) and differentiation from other groups (e.g., foreign countries). Although Sharma and colleagues (1995) conceptualized consumer ethnocentrism as a stable trait, De Nisco, Massi, and Papadopoulos (2020) found that economic animosity, caused by a country taking advantage of another country during a crisis, can influence consumer ethnocentrism. Individuals’ feelings of animosity toward certain countries can explain consumer ethnocentrism (Licsandru, Szamosi, & Papadopoulos, 2013). After September 11, 2001, perceived fears resulting from the political and economic situations increased U.S. consumers’ animosity toward certain countries and negatively affected their purchase intention in relation to those countries (W. Lee, Hong, & Lee, 2003). International disputes, in which a country communicates its own
position with or without regard to another country’s position, could trigger nationalist emotions and consumer activism against products from a counterpart country (Wang, 2006; Wang & Wang, 2007). Hence, the following hypothesis is proposed:

H2: Perceived economic threat is positively associated with consumer ethnocentrism against products from the counterpart country.

**Negative Word-of-Mouth Intention**

Consumer ethnocentrism is developed as a result of sociopsychological influences (Sharma et al., 1995) and can affect behavioral intentions such as word-of-mouth communication (H. M. Lee, Chen, Chen, Lo, & Hsu, 2020). When consumers have negative experiences with products or brands, they will engage in negative word-of-mouth to inform others of their experiences (Ferguson & Johnston, 2011). Negative word-of-mouth has a greater effect on consumers’ evaluations than positive word-of-mouth because of negativity bias (Christodoulides, Michaelidou, & Argyriou, 2012). When consumers are hostile toward the national origin of a product, they are more likely to engage in negative word-of-mouth (H. M. Lee et al., 2020) because they are unlikely to want others to purchase products of the same national origin. Based on the extant literature on consumers’ word-of-mouth behaviors relating to a product’s COO (e.g., Fong & Burton, 2008; Murtiasih, Sucherly, & Siringoringo, 2014), this study posits the following hypothesis:

H3: Consumer ethnocentrism is positively associated with negative word-of-mouth intention about products from the counterpart country.

**Boycott Intention**

International marketing research has found that consumer ethnocentrism is associated with purchase intentions (Watson & Wright, 2000) toward home country products. Ishii (2009) found that the boycott of foreign products reflects nationalistic sentiments and an expression of negative feelings or animosity toward foreign countries. Research has established the relationship between animosity and boycott intention (Klein, Ettensohn, & Morris, 1998). Boycott intention is defined as participants’ willingness to boycott (Handelman & Arnold, 1999), which could be understood as individuals’ actions of advocacy or opposition to an entity. Together with venting behaviors, boycott intention is a reflection of negative consumer reaction (Grappi, Romani, & Bagozzi, 2013). In the political context, it could be an indication of political consumerism, which can be understood as a route of citizen influence on politics (Newman & Bartels, 2011). Consumer actions are critical for creating global change (Stolle & Micheletti, 2013). At the same time, negative word-of-mouth about a brand is likely to increase negative behavioral intention toward the brand (Wee, Lim, & Lwin, 1995; Wilson, Giebelhausen, & Brady, 2017). Considering the interconnectedness between individuals’ attitudes toward imports and consumer actions, the following hypotheses are proposed:

H4: Consumer ethnocentrism is positively associated with boycott intention against products from the counterpart country.

H5: Negative word-of-mouth intention is positively associated with boycott intention.
Figure 1 shows the proposed model.

Methods

Development of Measures

A survey was designed to explore the dynamics of the five constructs and the five hypotheses and was situated in the context of the Australia–U.S. relationship. The measurement scale of perceived power discrepancy was developed based on existing conceptualizations of relational power tactics and strategies, such as persuasion, collaboration, and pressure (e.g., Chong et al., 2013), and the pursuit of shared decision-making (e.g., Sisson, 2017), based on the premise that two countries in a bilateral relationship would engage in such relational efforts by seeking to understand one another and maintaining an equal relationship for mutually beneficial outcomes (e.g., Wong & Howard, 2017). A total of 16 items were proposed, and a discrepancy score was generated for each item. For example, the score for the item “The Australian government has tried its best to understand the positions of USA” was deducted from the score for the item “The U.S.A government has tried its best to understand the positions of Australia.” The discrepancy score indicates the difference between the two tests, with the score for Australia’s efforts being used as the baseline score (Karson, 2020). Griffin, Murray, and Gonzalez (1999) discuss the face validity of difference scores in examining discrepancy, and that the difference in scores explains as much variance as the two components being analyzed individually. Because the construct of perceived power discrepancy measures the congruence or incongruence between two constructs (i.e., relational power exercised by Australia vs. the United States), the difference score was deemed appropriate for the construct (Edwards, 2001; Karson, 2020). To reduce the measurement error of the difference scores, Edwards’ (2001) recommendation of using structural equation modeling (SEM) with latent variables was used in the analysis.

Four variables were proposed to examine the effects of perceived power discrepancy. For perceived economic threat, a total of three items were proposed based on W. J. Lee and colleagues’ (2016) study. The items for measuring consumer ethnocentrism were developed based on Shimp and Sharma’s (1987) study.
and were adapted to the Australia-versus-U.S. evaluation, with items such as "Australians should always buy Australian-made products instead of imports from the USA." The items of negative word-of-mouth intention were developed and adapted from J. N. Kim and Rhee’s (2011) study on communicative behaviors. Finally, the items for boycott intention were developed based on Grappi and associates (2013). Respondents were asked to respond to the items on a Likert scale from 1 (strongly disagree) to 5 (strongly agree).

Data Collection and Demographics

After approval was obtained from the university’s ethics committee, a nationally representative sample was obtained via an international research company, Qualtrics, which provided remuneration to participants. A total of 511 valid responses were received from Australian citizens in October 2017. The quota sample was representative of the age and gender distribution of Australia’s population. Australia was selected as a research context because of increased coverage of doubts regarding U.S.–Australian relations at the time of data collection, which called for Australia’s reconsideration of how to strategically manage its global relationships to ensure that Australia’s interests were not infringed on (Beeson & Bloomfield, 2019; Robey, 2018; Thakur, 2016; Tidwell, 2017).

Of the 511 respondents, there were 245 (48%) males, 263 (51%) females, and three respondents who did not disclose their gender. The majority of the respondents (73.2%) were Caucasians, followed by South Asians (5.3%), East Asians (4.3%), Indigenous peoples, native Americans or Pacific Islanders (1.8%), Arab or Middle Eastern peoples (1.8%), and Africans (1.4%). A total of 11.5% of respondents did not disclose their ethnicity. Almost a third of respondents had completed a bachelor’s degree or above (32.5%), followed by high school (29.2%), some university (21.6%), and less than high school (6.5%). A total of 10.2% of respondents did not disclose their educational attainment. Regarding age, 6.6% of the respondents were aged 18–20 years, 18.2% were aged 21–30, 18.4% were aged 31–40, 14.4% were aged 41–50, 17.8% were aged 51–60, and 24.6% were 61 or older.

Gender, ethnicity, age, and educational attainment had no association with the five variables tested. However, political orientation, which was tested with the item "I consider myself to be politically (a) conservative, (b) moderate, (c) liberal, (d) progressive, or (e) other," was found to be significantly associated with boycott intention (F = 2.655, df = 4, p < .05), with a significant mean difference between the conservative group (M = 2.09) and the progressive group (M = 2.51). Political orientation was used as a control variable in the model.

Data Analysis

After reverse-coding the negatively worded survey items (except for the variable “negative word-of-mouth intention”), exploratory factor analysis (EFA) with maximum likelihood and promax rotation was conducted for the five variables using SPSS Version 26. Initially, 16 survey items were proposed for perceived power discrepancy. The EFA indicated that there were two dimensions and that nine items should be retained. The decision for item removal and item retention was made based on Williams, Onsman, and Brown’s (2010) guidelines that there must be at least two items loading on the same factor and that the items should display high loadings on one factor only. The Kaiser-Meyer-Olkin (KMO) measure of adequacy
was .87, and the Bartlett’s test of sphericity was significant, showing that the selected factor structure was adequate (Howard, 2016). The items accounted for 66% of the total variance, which is considered acceptable for the social sciences (Maskey, Fei, & Nguyen, 2018). Subsequently, confirmatory factor analysis (CFA) was conducted on the selected factor structure. The nine items retained for perceived power discrepancy had factor loadings ranging from .64 to .83. The items loaded on two factors: One factor was made up of items that were positively worded (reflecting a discrepancy in relational balance), and the other was made up of items that were negatively worded and reverse-coded (reflecting a discrepancy in relational dominance). Model fit for the measurement model ($\chi^2 = 32.16, df = 21, \chi^2/df = 1.531, p = .056$, comparative fit index [CFI] = .99, root mean square error of approximation [RMSEA] = .032, standardized root mean square residual [SRMR] = .0201) met Hu and Bentler’s (1999) cutoff criteria for fit indices ($\chi^2/df < 3, CFI > .95, RMSEA < .06, SRMR < .08$). Although it is generally believed that EFA and CFA should be conducted on two separate data sets, Worthington and Whittaker (2006) argue that the single use of either EFA or CFA has little advantage over the combined use of both EFA and CFA on the same data set. Rather than using a second data set for CFA, “the most logical approach would be to conduct an EFA followed by a CFA in all cases” (Worthington & Whittaker, 2006, p. 815).

Following Worthington and Whittaker’s (2006) recommendation that the factor structure of all instruments should be validated using EFA before CFA or SEM to ensure the validity of the variables for the research context, EFA with maximum likelihood and promax rotation was also conducted for other variables. Survey items with low factor loadings on a single factor or with cross-loadings on multiple factors were removed (Yong & Pearce, 2013). For perceived economic threat, one item was removed, resulting in two items being retained with factor loadings of .85 and .89, respectively. Although it is ideal to retain a minimum of three items to explain a latent variable, it is necessary to examine the item loadings from the factor analysis and remove items to maximize convergent and discriminant validity (Raubenheimer, 2004). The item that was removed had an item loading of .336 and reduced the Cronbach’s alpha from $\alpha = .862$ to $\alpha = .695$. According to Gosling, Rentfrow, and Swann (2003), using more items can bolster internal consistency because of the overlapping content of the items; however, using fewer items can reduce item redundancy. For consumer ethnocentrism, 11 items were initially proposed, and two were removed, resulting in nine items loading on two factors. One factor consisted of items that reflected respondents’ preferences for Australian products over U.S. products, and the other consisted of items that reflected preference against U.S. products in the Australian market. The selected factor structure was adequate, with a KMO measure of .890 and a significant Bartlett’s test of sphericity. The items accounted for 70% of the variance, and the items had factor loadings ranging from .61 to .85. Six items were proposed for negative word-of-mouth intention, and one was removed. The retained factor structure explained 63% of the variance with factor loadings ranging from .74 to .86. The KMO measure was .858, and the Bartlett’s test of sphericity was significant. Finally, all five items for boycott intention were retained with factor loadings ranging from .78 to .91, explaining 80% of the variance and resulting in an adequate KMO measure (.888) and a significant Bartlett’s test of sphericity.

Table 1 indicates the factor loading, the mean, standard deviation, and standard error of the mean for each survey item. The Cronbach’s alpha ($\alpha$) for each variable is shown as an indicator of reliability.
Table 1. Factor Loadings, Mean, Standard Deviation, and Standard Error of the Mean for Each Survey Item.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Survey Item</th>
<th>Factor Loading</th>
<th>M</th>
<th>SD</th>
<th>SE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Power</td>
<td>The [Australian/USA] government seeks to maintain an equal relationship with</td>
<td>.56</td>
<td>.88</td>
<td>1.29</td>
<td>.057</td>
</tr>
<tr>
<td>Discrepancy (discrepancy in relational balance)</td>
<td>The [Australian/USA] government ensures that it acts fairly with [Australia/USA].</td>
<td>.62</td>
<td>.81</td>
<td>1.13</td>
<td>.050</td>
</tr>
<tr>
<td></td>
<td>The [Australian/USA] government has tried its best to achieve mutually beneficial outcomes with [Australia/USA].</td>
<td>.81</td>
<td>.66</td>
<td>1.15</td>
<td>.051</td>
</tr>
<tr>
<td></td>
<td>The [Australian/USA] government has tried its best to understand the positions of [Australia/USA].</td>
<td>.82</td>
<td>.73</td>
<td>1.16</td>
<td>.052</td>
</tr>
<tr>
<td>Perceived Power</td>
<td>The [Australian/USA] government ignores opinions of [Australia/USA]. (reverse)</td>
<td>.75</td>
<td>.89</td>
<td>1.50</td>
<td>.066</td>
</tr>
<tr>
<td>Discrepancy (discrepancy in relational dominance)</td>
<td>The [Australian/USA] government seeks to take advantage of [Australia/USA]. (reverse)</td>
<td>.74</td>
<td>.76</td>
<td>1.47</td>
<td>.065</td>
</tr>
<tr>
<td></td>
<td>The [Australian/USA] government only cares about its own interests rather than the interests of [Australia/USA]. (reverse)</td>
<td>.88</td>
<td>1.41</td>
<td>1.78</td>
<td>.079</td>
</tr>
<tr>
<td></td>
<td>The [Australian/USA] government overpowers [Australia/USA]. (reverse)</td>
<td>.74</td>
<td>.93</td>
<td>1.56</td>
<td>.069</td>
</tr>
<tr>
<td>Perceived Economic Threat</td>
<td>Some economic problems in Australia are caused by excessive competition from the USA.</td>
<td>.85</td>
<td>3.41</td>
<td>.949</td>
<td>.042</td>
</tr>
<tr>
<td></td>
<td>Economy in Australia has suffered from the impact of competition from the USA.</td>
<td>.89</td>
<td>3.35</td>
<td>.995</td>
<td>.004</td>
</tr>
<tr>
<td>Consumer Ethnocentrism (preference for Australian products)</td>
<td>Australians should always buy Australian-made products instead of imports from the USA.</td>
<td>.61</td>
<td>3.86</td>
<td>1.01</td>
<td>.045</td>
</tr>
<tr>
<td></td>
<td>Only those products that are unavailable in Australia should be imported from the USA.</td>
<td>.78</td>
<td>3.66</td>
<td>1.08</td>
<td>.048</td>
</tr>
<tr>
<td></td>
<td>We should purchase products manufactured in Australia instead of letting the USA get rich off us.</td>
<td>.75</td>
<td>3.69</td>
<td>1.07</td>
<td>.047</td>
</tr>
<tr>
<td></td>
<td>We should buy from the USA only products that we cannot obtain within our own country.</td>
<td>.85</td>
<td>3.4</td>
<td>1.17</td>
<td>.052</td>
</tr>
</tbody>
</table>
Consumer Ethnocentrism (preference against U.S. products)  
\( \alpha = .891 \)

<table>
<thead>
<tr>
<th>Item</th>
<th>M</th>
<th>SD</th>
<th>SE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchasing USA-made products is unAustralian.</td>
<td>.76</td>
<td>2.94</td>
<td>1.18</td>
</tr>
<tr>
<td>It is not right to purchase foreign products from the USA.</td>
<td>.79</td>
<td>2.74</td>
<td>1.17</td>
</tr>
<tr>
<td>Restrictions should be put on all imports from the USA.</td>
<td>.81</td>
<td>2.89</td>
<td>1.19</td>
</tr>
<tr>
<td>USA companies should not be allowed to put their products on our markets.</td>
<td>.80</td>
<td>2.63</td>
<td>1.15</td>
</tr>
<tr>
<td>USA products should be taxed heavily to reduce their entry into Australia.</td>
<td>.78</td>
<td>3.04</td>
<td>1.15</td>
</tr>
</tbody>
</table>

Negative Word-of-Mouth Intention  
\( \alpha = .903 \)

<table>
<thead>
<tr>
<th>Item</th>
<th>M</th>
<th>SD</th>
<th>SE</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am likely to share negative comments about products from the USA with my family and friends.</td>
<td>.74</td>
<td>2.78</td>
<td>1.01</td>
</tr>
<tr>
<td>I am likely to write negative comments about products from the USA on social media.</td>
<td>.81</td>
<td>2.43</td>
<td>1.07</td>
</tr>
<tr>
<td>I am likely to forward negative news stories about products from the USA to others.</td>
<td>.86</td>
<td>2.54</td>
<td>1.05</td>
</tr>
<tr>
<td>I am likely to express agreement with people who have negative opinions about products from the USA.</td>
<td>.82</td>
<td>2.70</td>
<td>.99</td>
</tr>
<tr>
<td>I am likely to express agreement with people who criticize products from the USA.</td>
<td>.82</td>
<td>2.70</td>
<td>.99</td>
</tr>
</tbody>
</table>

Boycott Intention  
\( \alpha = .937 \)

<table>
<thead>
<tr>
<th>Item</th>
<th>M</th>
<th>SD</th>
<th>SE</th>
</tr>
</thead>
<tbody>
<tr>
<td>I want to boycott USA products in order to bring about changes in the conduct of the USA.</td>
<td>.78</td>
<td>2.57</td>
<td>1.142</td>
</tr>
<tr>
<td>I want to participate in e-mail campaign against USA products in order to bring about changes in the conduct of the USA.</td>
<td>.88</td>
<td>2.36</td>
<td>1.097</td>
</tr>
<tr>
<td>I want to participate in picketing against USA products in order to bring about changes in the conduct of the USA.</td>
<td>.88</td>
<td>2.23</td>
<td>1.102</td>
</tr>
<tr>
<td>I want to participate in collective movements against USA products in order to bring about changes in the conduct of the USA.</td>
<td>.91</td>
<td>2.33</td>
<td>1.114</td>
</tr>
<tr>
<td>I want to participate in demonstration against USA products in order to bring about changes in the conduct of the USA.</td>
<td>.88</td>
<td>2.25</td>
<td>1.101</td>
</tr>
</tbody>
</table>

Note. \( \alpha = \) Cronbach’s Alpha. M = Mean. SD = Standard Deviation. SE = Standard Error.
SEM was performed using AMOS (Version 26) to test the fit of the hypothesized model to the data. SEM was used because of its capabilities to test hypotheses of unobserved variables represented by observed survey items and to recognize error terms (Kline, 2013). Table 2 shows the convergent validity and average variance extracted (AVE) as an indicator of discriminant validity.

Table 2. Convergent Validity and Average Variance Extracted as an Indicator of Discriminant Validity.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Convergent Validity</th>
<th>AVE values (in bold) and correlations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Power Discrepancy (discrepancy in relational balance) (PD1)</td>
<td>.509</td>
<td>.713</td>
</tr>
<tr>
<td>Perceived Power Discrepancy (discrepancy in relational dominance) (PD2)</td>
<td>.607</td>
<td>.547</td>
</tr>
<tr>
<td>Perceived Economic Threat (PET)</td>
<td>.760</td>
<td>.142</td>
</tr>
<tr>
<td>Consumer Ethnocentrism (preference for Australian products) (CE1)</td>
<td>.582</td>
<td>.181</td>
</tr>
<tr>
<td>Consumer Ethnocentrism (preference against U.S. products) (CE2)</td>
<td>.620</td>
<td>.097</td>
</tr>
<tr>
<td>Negative Word-of-Mouth Intention (NWOM)</td>
<td>.654</td>
<td>-.061</td>
</tr>
<tr>
<td>Boycott Intention (BI)</td>
<td>.753</td>
<td>-.105</td>
</tr>
</tbody>
</table>

Convergent validity, which refers to the extent to which different measures capture a common construct, was above the minimum requirement of .50 for all variables (Carlson & Herdman, 2012). Discriminant validity, which ensures that a construct measure is unique and reflects the phenomenon of interest, also meets the requirements of having an AVE that is higher than the square correlations of the constructs (Henseler, Ringle, & Sarstedt, 2014).
Findings

The hypothesized model resulted in a satisfactory model fit ($\chi^2 = 1184.3$, $df = 420$, $\chi^2/df = 2.820$, $p = <.001$, CFI = .923, RMSEA = .060, SRMR = .0782) based on Hu and Bentler’s (1999) cutoff criteria for fit indices ($\chi^2/df < 3$, CFI > .95, RMSEA < .06, SRMR < .08). Figure 2 shows the model with the significant paths.

![Figure 2. Final model.](image)

Model fit indices:

- $\chi^2 (df = 420) = 1184.300$
- $\chi^2/df = 2.820 (p = .000)$
- CFI = .923
- RMSEA = .060
- SRMR = .0782

* $p < .05$. ** $p < .01$. *** $p < .001$

According to the model, perceived power discrepancy has two factors—discrepancy in relational balance and dominance—and is positively associated with perceived economic threat (H1) ($\beta = .147$, $p < .05$). The positive relationship between perceived economic threat and consumer ethnocentrism is significant ($\beta = .358$, $p < .001$). Consumer ethnocentrism has a positive relationship with negative word-of-mouth intention (H3) ($\beta = .386$, $p < .001$) and boycott intention (H4) ($\beta = .290$, $p < .001$). Additionally, a positive relationship was found between negative word-of-mouth intention and boycott intention (H5) ($\beta = .460$, $p < .001$). Political orientation had a significant relationship with boycott intention ($\beta = .104$, $p < .01$) and was included in the model as a control variable.
Discussion

Theoretical Implications

This study was conducted based on the reconceptualization of relational power, drawing on extant literature in international relations (e.g., Baldwin, 2016; Nye, 2011) in which the concept of relational power has been conceptualized, but not operationalized (e.g., Baldwin, 2016; Baviera, 2015; Szostek, 2020). The construct of perceived power discrepancy was developed based on the premise that countries make relational efforts to seek to understand each other’s positions for a relationship that results in mutually beneficial outcomes (e.g., Wong & Howard, 2017). Such relational efforts are exercised and observed through countries’ communicative acts, and power disparity (named “perceived power discrepancy” in this study) is observed, interpreted, and evaluated by individuals.

Research on negotiation has identified power relations as a complex and dynamic process whereby perceived power could affect power-related behaviors (P. H. Kim, Pinkley, & Fragale, 2005). Against this backdrop, this study conceptualizes and operationalizes perceived power discrepancy as individuals’ evaluations of the extent of discrepancy between two entities in terms of how they relate to each other through power tactics, such as persuasion, collaboration, and pressure, in their interactions (e.g., Chong et al., 2013). It found that high perceived power discrepancy is positively associated with perceived economic threat, in line with claims in the extant literature associating power with the communication of threats (Mead & Filson, 2017). At the same time, perceived economic threat is directly associated with consumer ethnocentrism, which is positively related to negative word-of-mouth intention and boycott intention. Negative word-of-mouth intention also has a positive association with boycott intention. This is in line with current research on how individuals speak negatively about products of a certain COO as an expression of their negative sentiments toward international political events (Fong & Burton, 2008). This study extends research on COO effects by demonstrating the significance of publics’ evaluations of international influence (e.g., unilateral influence).

Practical Implications

The use of power is not without cost. More importantly, the lack of balance in relational power could be costly. This is particularly the case when the acts that are enacted to exercise power cause disadvantages to the other party (Baldwin, 2016) as one side seeks to prioritize its own interests over the other’s (Hare, 2020a). The relational perspective on power indicates to countries that although they can invest in public diplomacy initiatives to ideally empower foreign publics and to incorporate their voices into decision-making (Zhang, 2013), foreign publics can also evaluate the power dynamics that exist between their home country and counterpart countries. On the one hand, countries can invest in public diplomacy efforts to invite foreign publics to engage in dialogue with them (Comor & Bean, 2012); conversely, they may not wish to engage with them because they have concerns about their home country’s political relationships with these countries (Storie, 2015) and could be adversarial publics against those countries (Zaharna & Uysal, 2016). As found in this study, publics who identify a discrepancy in how one country relates to another perceive economic threats and hold negative attitudes and behavioral intentions toward products from the counterpart country.
While dominant power relations exist in international relations, Hare (2020b) notes that diplomatic actors have become engaged in “the battle of power in a network society” as they have also diverged from consensus-building, which is the core of public diplomacy, into self-promotion (p. 161). The soft power (resulting from public diplomacy practices) has transformed from being the power to attract, by seeking a balance in promoting mutual interests in bilateral relationships, into the power to influence, by advancing one’s interests at the expense of another country’s interests (Hare, 2020a). In fact, in official diplomatic relationships in which countries’ representatives are supposed to interact to relate to one another in order to achieve mutually beneficial outcomes, the same dynamics exist where they seek to understand each other’s position while also exerting their own interests through communicative acts. Individuals, as observers of these communicative acts, then make evaluations of these dynamics and react to them attitudinally and behaviorally. Foreign publics are, therefore, the target audience of both public and traditional diplomacy.

Conclusion

This study conceptualizes perceived power discrepancy with the proposition that power should be understood in relational terms and is observed and encoded in the interactions between two entities. Power in relational terms—demonstrated through communicative acts to pursue understanding and mutually beneficial outcomes—is significant to bilateral relationships between countries. This study found that when there is a discrepancy in relational power (such that Australia is considered to be trying to balance power with the United States, rather than the United States with Australia, through communicative acts such as trying to understand the other party’s position), Australians will demonstrate more negative attitudes and behavioral intentions toward U.S. products.

Limitations and Future Directions

Further research should be conducted to validate the findings of this study. Although the survey items were developed based on existing conceptualizations in international relations (e.g., Baldwin, 2016) and negotiation (e.g., Wong & Howard, 2017), replication studies are needed to test their applicability to bilateral relationships between other countries. Although ethnicity did not have significant associations with any variables, future research should consider exploring its possible effects with a sample representative of ethnicity. Future studies may consider studying the confluence between power in terms of tangible assets (e.g., economic power) and power in relational terms (e.g., communicative acts) in affecting perceptions. Other causes of perceived power discrepancy, such as nationalism (Kosterman & Feshbach, 1989) and anti-American sentiment (Fullerton et al., 2007), should be examined. Future research could also consider examining the model from a different perspective, such as international marketing, and what communicative efforts decrease perceived power discrepancy.

References


