# CONSUMER PREFERENCE TOWARDS GLOBAL PRODUCTS

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**Abstract**

*Global products and services spread through our everyday world. Consumers use brands as signals to make choices to buy or try products. During the recent years, there has been an incredible move from local brands to global brands because of the show of comparable needs and preferences by the buyers. As the world is contracting in to a worldwide commercial center, is progressively essential to comprehend the customers' impression of global brands to local brands. Examining purchaser preference towards global versus local brands have generous implications in marketing. The objectives of the study are to find out the global products tried so far, the switching brand behavior of consumers and to assess the factors influencing consumer preference for global brands. The study has been conducted in the shopping malls of Chennai. Data were collected by means of questionnaires from 220 shoppers. The findings show the consumers preference for global products.*

*Keywords: Brand, Global brand, preference, image, behaviour*

## Introduction

Global products and services spread through our everyday world. We eat at Burger King, Kentucky Fried Chicken, and Pizza Hut; drink Coke, Pepsi or 7up; use BMW, Fiat, Renault, or Toyota cars and consume gasoline like BP or Shell; buy our clothing at Marks & Spencer. Our personal care products are Nivea or Chanel; electronic products are Philips, Sony or Samsung; Piaget, Omega or Rolex watch. Global brands are brands that use the same marketing strategy and mix in all target markets. Global brands benefit from the scale and scope of having presence in different markets. Global brand is defined as "a brand that is marketed under the same name in multiple countries with similar and centrally coordinated marketing strategies". However, there are some global brands that do not have the same name, but share some marketing program elements (Natarajan and Thiripurasundari, 2010).

Numerous reasons can clarify the speeding up of worldwide brand improvement. Other than economies of scale that a global brand can bring to the company, the advantage of benefiting from a unique worldwide image across markets is considered

by managers as an imperative favorable position to manage brands on a global basis (Schuiling and Lambin, 2005). A global brand too benefits from being driven by a single strategy like Visa's consistent "worldwide acknowledgement" position is much simpler for the company to manage handful of country-specific strategies (Aaker and Joachimsthaler, 1999). With having world-wide quality, a global brand differentiates product offerings and permits marketers to charge premium prices. The emergence of modern information and communication technologies, and advances in logistics and transportation, have quickened the globalization movement and expanded competition, in turn making more demanding and cognizant clients (Nasir and Altinbasak, 2009). As firms enter worldwide markets, branding plays a critical part in its marketing strategy. Consumers use brands to indicate product performances, rather than engaging themselves in search of information when choosing between competing brands.

Consumers use brands as signals to make choices to buy or try products. During the recent years, there has been an incredible move from local brands to global brands because of the show of comparable needs and preferences by the buyers. As the world is contracting in to a worldwide commercial center, is progressively essential to comprehend the customers' impression of global brands to local brands. Examining purchaser inclinations towards global versus local brands have generous implications in marketing. Consumer preferences for brands with a global image over local competitors, notwithstanding when quality and esteem are not evenhandedly prevalent, have been proposed as a reason for companies to consider global brands (Steenkamp et al., 2003). Global brands were seen as higher quality and more prestigious compared with their domestic brands (Lee et al., 2008). Many global brands have been seen as having alluring highlights such as prestige and quality. Steenkamp et al. (2003), increasingly companies are moving toward global brand positioning because consumers appear to have a more noteworthy inclination for brands with "global image" over local competitors, even when quality and value are not objectively superior. Shoppers may acknowledge that those global brands present a feeling of better quality, status, and eminence, and would convey the image of their being a part of global consumer culture.

## Review of Literature
### Brands

A brand is a specific name, symbol or design- or, more usually some combination of these- that is used to distinguish a particular seller's product. Branding is the the craftsmanship and foundation of marketing. Brand is a complex symbol and presents six levels of meaning. Attributes: A brand brings to mind certain attributes; Benefits: Attributes being translated into functional and emotional benefits; Values: the brand also says something about the producer's values; Culture: the brand may

represent a certain culture; Personality: the brand can project a certain personality; User: the brand suggests the kind of consumer who buys or uses the product. Aaker (1997) brand names have become increasingly valuable assets for many multinational companies.

## Global Brands

Globalization touching the niches and corners of each country and global consumer segment has a risen whose needs and interests are becoming increasingly homogeneous. The growing integration of international markets as well as the growth of competition on a worldwide scale suggests that appropriation of a global perspective has become more and more imperative in planning marketing strategy. Global brands as a rule compete with other global brands and these global companies must endeavor for predominance on basics like the brand's price, performance, features, and imagery; at the same time, they must learn to manage brands' global characteristics, which often isolated champs from washouts. Global brands signal quality and aspiration (Johansson and Ronkainen, 2005). There are important advantages derived from the consumption of global brands, as a result they are perceived to be more value added for the consumer, either through higher quality, as a function of worldwide acceptance, or by enhancing the consumer's self-perception as being international, stylish and fashionable (Merino and Gonzales, 2008).

## Perceived Brand Globalness

Perceived brand globalness (PBG) are reciprocally used to depict the shopper's perception of a global product. The degree of brand globalness lies in the perceptions of consumers and also the identification of a brand, as being local or global cannot be created independent of consumers (Aydinoglu and Batra, 2009). A brand's perceived globality has been observed to be absolutely associated with perceived quality, prestige and purchase likelihood.

## Perceived Brand Quality

Perceived quality is "a global assessment of a customer's judgment concerning the prevalence or excellence of a product" (Zeithaml, 1988). Perceived quality is consumer's evaluation of a brand's overall excellence based on intrinsic like performance, durability, features and extrinsic like price, brand name, warranty cues" (Kirmani and Baumgartner, 2000).

## Brand Image

Brands play a vital role for consumers in terms of communication and identification. Brands supply a compass to guide them through a purchasing environment typified by an excessive amount of information. The brand is seen by most consumers as a sign of quality, assisting them to make their purchasing decisions. Premium brands, for

instance, can even engender a sense of distinction and prestige. Brand image is what comes to the mind of the consumer when a brand name is mentioned (Arslan and Altuna, 2010). Brands are of enormous economic significance to organizations. The strength of brands for example, Starbucks or Nokia empowers them to charge a critical value premium. Buyers of a Mercedes-Benz car have a tendency to be particularly brand loyal, promising future deals to the company (Fischer and Sattler, 2010).The brand is one of the most important assets a firm own (Arslan and Altuna, 2010). It can be summarize that a brand is an esteem added to a product. This esteem is used to differentiate a product from its competitor in such a way that the brand has a name which is easy to remember, it has logo, unique symbol, better packaging with extra services (Harun et. al, 2010). Brands play a crucial role as a key success in providing higher profit margins for firms if it is properly managed and they have a critical role in establishing a firm's visibility and position in international markets (Douglas et. al, 2001).

The globalization is putting pressure on organizations to develop global products. A global product meets the wants and needs of the global market. A genuine global product is offered in all world regions. A global brand has a similar image and positioning throughout the world.

## Objectives of the Study
1. To study the demographic profile of consumers.
2. To find out the global products tried so far
3. To find out the switching brand behavior of consumers.
4. To assess the factors influencing consumer preference for global brands.

## Research Methodology
The study has been conducted in the shopping malls of Chennai. Data were collected by administering pre-coded structured questionnaires to 220 customers. The method of sampling is non-probability sampling, in which convenience sampling was followed. The study was conducted in December 2017. Data were collected by means of questionnaires.

## Findings
## Demographic Profile of Shopper's
### Table 1 Demographic Profile of Shoppers

| Particulars | | Percent |
|---|---|---|
| Gender | Male | 47.6 |
| | Female | 52.4 |
| Age | Below 20 years | 5.4 |
| | 21-30 years | 41.2 |
| | 31-40 years | 31.6 |
| | 41 -50 years | 14.4 |
| | 51 -60 years | 3.7 |
| | 61 years and above | 3.7 |

| Educational Qualification | School level | 6.4 |
|---|---|---|
| | Under Graduate | 55.1 |
| | Post Graduate | 34.8 |
| | Others | 3.7 |
| Occupation | Students | 11.3 |
| | Employed | 59.0 |
| | Business | 11.7 |
| | Homemaker | 13.0 |
| | Retired | 5.0 |
| Marital status | Married | 69.3 |
| | Unmarried | 30.7 |
| Family Type | Nuclear | 62.1 |
| | Joint | 37.9 |
| Monthly Income of the family | Less than Rs.10,000 | 4.1 |
| | Rs.10,001 - Rs.20,000 | 13.2 |
| | Rs.20,001 -Rs.30,000 | 14.2 |
| | Rs.30,001 -Rs.40,000 | 11.5 |
| | Rs.40,001 -Rs.50,000 | 17.7 |
| | Above Rs.50,001 | 39.4 |

A completed profile of the respondents who participated in the survey is presented in Table 1. The sample consists of 47.6% male shoppers and 52.4% female shoppers. Based on the age of shoppers 5.4% are of below 20 years, 41.2% are 21-30 years; 31.6% of them are 31- 40 years, 14.4% are 41-50 years, 3.7% are of 51-60 years and 3.7% are above 61 years.

The educational qualifications of shopper's shows that 6.4% are students, 55.1% were under graduates; 34.8% are postgraduates and others 3.7% (doctorate). The occupation status of shopper's shows that: 11.3% are students, 59% were employed; 11.7% were doing business, 13% are homemakers and 5% were retired. Marital statuses of the shoppers show that 69.3% are married and 30.7% unmarried. The type of family shows that 62.1% belong to nuclear family and 37.9% joint family. The monthly income of the shoppers shows that 4.1% have less than Rs.10,000, 13.2% has Rs. Rs.10,001 - Rs.20,000, 14.2% have Rs.20,001 - Rs.30,000, 11.5% have Rs.30,001 -Rs.40,000, 17.7% have Rs.40,001 -Rs.50,000 and 39.4 % have above Rs.50,001.

**Trial of Global Brand Products**

### Table 2 Trial of global brand products

| Particulars | | Percent |
|---|---|---|
| Personal care & Cosmetics | Yes | 71.7% |
| | No | 28.3% |
| Household cleaners (bleach, disinfectants, detergent powder) | Yes | 79.0% |
| | No | 21.0% |
| Dishwashers (Dishwashing Liquid or paste) | Yes | 77.5% |
| | No | 22.5% |

| Toiletries (tissue, serviettes) | Yes | 68.5% |
| | No | 31.5% |
| Confectionaries (Ice cream, crisps, ground nuts) | Yes | 74.2% |
| | No | 25.8% |
| Apparels | Yes | 78.1% |
| | No | 21.9% |
| Electronic goods | Yes | 73.2% |
| | No | 26.8% |
| Footwear | Yes | 76.1% |
| | No | 23.9% |

Table 2 shows the trial of different global brand products by the respondents Personal care & Cosmetics (71.7%), Household cleaners like bleach, disinfectants, detergent powder (79.0%), Dishwashers like Dishwashing Liquid or paste (77.5%), Toiletries like tissue, serviettes (68.5%), Confectionaries like Ice cream, crisps, ground nuts (74.2% ), Apparels (78.1%), Electronic goods (73.2%) and Footwear (76.1%).

**Tend to Switch Brands Frequently**

**Table 3 Tend to Switch Brands Frequently**

| Particulars | | Percent |
|---|---|---|
| Personal care & Cosmetics | Yes | 71.7% |
| | No | 28.3% |
| Household cleaners (bleach, disinfectants, detergent powder) | Yes | 83.3% |
| | No | 16.7% |
| Dishwashers (Dishwashing Liquid or paste) | Yes | 82.3% |
| | No | 17.7% |
| Toiletries (tissue, serviettes) | Yes | 86.4% |
| | No | 13.6% |
| Confectionaries (Ice cream, crisps, ground nuts) | Yes | 82.9% |
| | No | 17.1% |
| Apparels | Yes | 86.6% |
| | No | 13.4% |
| Electronic goods | Yes | 73.6% |
| | No | 26.4% |
| Footwear | Yes | 81.7% |
| | No | 18.3% |

Table 3 shows the tendency to switch the brands by the respondents Personal care & Cosmetics (71.7%), Household cleaners like bleach, disinfectants, detergent powder (83.3%), Dishwashers like Dishwashing Liquid or paste (82.3%), Toiletries like tissue, serviettes (86.4%), Confectionaries like Ice cream, crisps, ground nuts (82.9%), Apparels (86.6%), Electronic goods (73.6%) and Footwear (81.7%).

**Preference for Global Brand Products**

Table 4 Preference for global brand products

| Factors influencing Preference for global brand products | Calculate Average | Divide with N = 515 | Rank |
|---|---|---|---|
| Quality | 9156 | 17.78 | 1 |
| Image | 6994 | 13.58 | 2 |
| Price | 5279 | 10.25 | 4 |
| Promotions and offers | 3162 | 6.14 | 7 |
| Availability | 5371 | 10.43 | 3 |
| Variety of products | 4622 | 8.97 | 5 |
| Durability | 3935 | 7.64 | 6 |
| Sales personnel opinion | 1952 | 3.79 | 9 |
| Store display | 1974 | 3.83 | 8 |

Factors influencing the preference for global brand products shows that (table 4) quality is the main factor followed by image, availability, price, variety of products, durability, promotions and offers, store display and Sales personnel opinion.

**Conclusion**

Majority of the respondents prefer global products. The trial of different global brand products shows that majority of the respondents had tried global products like Personal care & Cosmetics (71.7%), Household cleaners like bleach, disinfectants, detergent powder (79.0%), Dishwashers like Dishwashing Liquid or paste (77.5%), Toiletries like tissue, serviettes(68.5%), Confectionaries like Ice cream, crisps, ground nuts (74.2% ), Apparels (78.1%), Electronic goods (73.2%) and Footwear (76.1%). Factors influencing the preference for global brand products shows that (table 4) quality is the main factor followed by image, availability, price, variety of products, durability, promotions and offers, store display and Sales personnel opinion.

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