

## **Consumer Perception towards International and Local Brand in Indian Retail Industry**

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### **Abstract**

In this paper, an attempt has been made to identify the perception of customers towards International and local brand in Indian retail industry.

The Indian retail market is growing rapidly and many brands are looking to expand their presence in the country. However, most local retailers are not able to compete with international brands when it comes to price, quality and service. This paper will explore what consumers think about international and local Indian retail marketing.

Most of the peoples are preferring international brands over local ones when it comes to price and quality. However, some smaller number of peoples only preferring international brands for service. These mentality shows that consumers still prefer foreign brands over domestic ones when it comes to price and quality but not for service. This thing may be due to the fact that most Indians are used to foreign companies providing better services than local ones do.

This thing shows that more research is needed on this topic as there are many factors that can affect consumer perceptions towards international and local Indian retail marketing such as language barrier or cultural differences between consumers and retailers' staffs or lack of knowledge about local products available in retail markets etc. This information also mean that marketers should focus on improving their product offerings so they can attract more consumers who are willing.

The biggest industry in India is retail, which is undergoing a change. With new forms including general stores, supermarkets, malls, hypermarkets, and specialty shops, as well as the abundance of global and international brands in the Indian retail industry, the concept of retail is rapidly evolving. The industry is at a tipping point, where the expansion of organized retailing and the rise in consumption among Indians are moving it in the direction of a faster growth trajectory. In the upcoming years, the retail market in India is anticipated to expand significantly. Strong economic growth, shifting lifestyles, and favorable demographic trends are predicted to propel India's retail business to annual growth rates of 25%. Indian shoppers now have access to top-notch shopping experiences. India's retail industry has undergone a tremendous change.

### **Introduction**

The extreme objective of businesses is to gain a benefit, and they come up with a few methodologies to extend their income for a long time. One of the compelling techniques of expanding benefits in most companies is customer satisfaction which is tired a few ways. Customers are regularly pulled in to

particular-company brands which make them faithful clients, and in turn, they buy more of the product brands that they favor. Companies, subsequently resolve to make brand value for their shoppers so as to impact their discernment of the brands and thus, move forward the company deals and benefit.

Brand value happens when clients have a great discernment of a specific brand title of an item and this gives commercial esteem to the company more than it gets from the item itself. Within the retail industry, it is basic to note that the retail brand outlets altogether influence the buyer choices, tastes and inclinations. Clients usually have a few alternatives to choose when they need to buy anything. Making a choice is troublesome for most customers, and thus, those of them that have an inclination for a specific item would go for it. Typically, as it were made conceivable when a company makes brand value which could be an association between clients and particular brand.

Understand the consumer preference for foreign and local brands is an essential for retailers to succeed in a local market. Level of economic development of nations will influence the consumer preference for products made in different countries.

Socialistic economic policies and emphasized self-reliance policies followed by the Indian economy in the Indian manufacturing sector and consumer goods, after independence in 1947. This leads to the growth of many numbers of domestic manufacturer of consumer goods and also foreign products in the Indian market. Now the Indian market is filled with imported products from various countries like U.S and Japan, while some products are still produced in the local market. In consumer decision making process, General brand impression plays an important role.

According to Kaynak and Cavusgil (1983), brand image and brand awareness is likely to be favorable in the consumer perception of brand.

The increasing expansion into international markets and the accelerated trends toward globalization have forced researchers and marketers to examine how consumers evaluate foreign brands in comparison to local brands and how this evaluation affects their brand choices.

This research will examine perception and attitudes of Indian consumer towards international brand compared to a local brand.

### **Statement of the Problem**

There is a belief in society that peoples will neglect local brand and go for international brand on majority of the time. This research will help to identify about people's mentality while purchasing and perception about local and international brand in retail industry.

### **Need for the Study**

The need of the study of the original research work is to understand and explore the consumer perceptions of global and local brands in Indian Retail Market. The research paper focuses on key factors like ethnocentrism, country of origin, perceived quality and buying decision making process and examining them.

### **Objectives of the Study**

The main objective is to extract a possible conclusion as to check on the impact of the factors on the perceptions of the consumers towards local and global brands.

The secondary objectives of the study are to find out the preference of Indian consumers towards buying a global brand or an Indian brand and to find out the geographical trends of consumer perceptions towards local and global brands in Indian.

### **Scope of the Study**

This study will examine the Indian consumer purchase behaviour of international brand and local brand. Findings of this study will determine which factors are important in explaining Indian consumers' purchase decisions of foreign and local. Findings will also attempt to determine whether a gap exists between intention and action among Indian consumers. Thus, foreign and local brand companies can use the results of this study to design effective marketing strategies for the Indian market and similar developing countries.

### **Hypothesis**

Hypothesis 1: Indian consumers will give higher ratings on emotional value and perceived quality to the international brand than the local brand based on regional differences.

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### **Review of Literature**

- Sheek Meeran, Ranjitham (2016) the objectives of this research are to ascertain the branded apparel most preferred by respondents and to examine customer's perception towards retail garments showrooms and factor they Considered to choose a particular retail garments showroom for their shopping in Tirunelveli Hub. The study reveals that Raymond, Peter England, and John player remains the top three branded apparels preferred by the respondents. It is clear that most of the shoppers on branded apparel were highly influenced by the factors such as durability, reference groups, wider choice of color and design, attractiveness, price range and celebrity endorser. Most of the customers are expecting reduced price and wider choice of color and design. The manufacturers of branded apparel must focus on all these factors to formulate branding strategies effectively and to sustain their growth. Convenient shop hours and the offer & discounts are the two factors that contribute more to prefer a particular retail garment showroom. The retailers need to give more attention to these factors in order to attract and retain their customers.
- Reham Abdelbaset Sanad (2016) this paper aims to make a comprehensive review of factors affecting purchaser decision towards apparel and textile products. Research studies concerned with factors having impact on marketing of textile products including apparel and fashion products were reviewed. These factors include different cultural, social, personal, psychological and environmental aspects. Features related to market; namely product characteristics, purchase channel, price and promotion were reported. This study reviewed research studies concerned with consumer behavior towards textile and apparel products. However, it is believed that textile products' visual and physical characteristics has a great impact on consumer buying decision, limited studies were found investigating the relation between textile product attributes and consumer purchase decision. Most of these studies were concerned with preference of product attributes. Therefore, it is proposed to extend consumer behavior studies in textile and apparel area with special concern of fit, comfort and performance.

- Deepali Saluja (2016) the purpose is also to study how consumer behavior for apparel is influenced by factors like monthly income, gender and peer influence. The survey conducted on Delhiites shows that the consumers prefer shopping mostly with their friends and family members. They are influenced by their choices of their friends, family members, celebrities, magazines etc. Quality, comfort, brand are the main criteria's which impact their buying behavior towards fashion apparels. The study shows that the age, gender, education and occupation do not have any impact on buying behavior of consumers. Finally, the survey shows that Delhi consumers have positive attitude towards fashion apparel brands.
- Sandeep Kumar, Prasanna Kumar, Srinivasa Narayana (2016) conducted a study mainly to know about the consumer perception, behavior, life style towards the apparel brands. To assess the importance of different factors in brand retention. From the study, it is suggested that the apparel companies should focus more on customer retention. This can be achieved by keeping the prices reasonable, maintaining quality in clothing, announcing loyal programs in special periods, offering perfect customer services, advertising more on internet, newspapers, social-media and tele-media.
- Lakshminarayana.K and Dr. Sreenivas (2017) conducted a study mainly to know about the consumer buying behavior towards branded apparels in Bangalore city. The study reveals that there is a lot of scope for new entrants in this field, the manufacturers and marketers of branded wears should concentrate on making new consumer rather than retaining old one. The number of people visiting the showroom with a brand in mind, in same as the number of people visiting the showroom with no brand in mind. Most of the time buyers visit the showroom of branded wears with the purpose of shopping however compared to women, male consumer visits the showroom for passing time, even though pop, advertisement, promotional schemes and other factors influence the consumer purchase decision and consumer stimulated to buy. Among the various promotional schemes and promotional measures discounts, buy2 get1 free schemes have maximum influence on purchase decision of a particular brand. With the effective marketing mix and strategies can extend the sustainable growth in this industry.

## Conclusion

This chapter summarizes the findings regarding Indian consumer perception of foreign brand and local brand in the Indian retail industry. This consider has delivered blended comes about and it has not produced noteworthy prove to acknowledge that one sort of brand is superior than another. The comes about, in this manner, conclude that there's no prove that customers lean toward worldwide brands to neighborhood brands. There was moreover no prove that shoppers connect more status to universal brands than to neighborhood brands. The comes about were scattered and did not appear any clear design of reactions. This ponder too therefore concludes that the personal characteristics of age, race, wage levels and sexual orientation affected on brand recognitions but the edge of impact connected to be little. It shows up that there are other more profound factors impacting brand discernments than essentially age, sex, race and salary levels. These discoveries are in line with a few ponders done by other analysts which were not conclusive on whether universal brands are more ideal than nearby brands.

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