

An Analysis of Indian Consumer Behavior towards Local and International Markets

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Abstract: *Globalization and liberalization provide advantageous opportunities for numerous international brands in the Indian markets. Consumer behavior is intricate and frequently deviates from rationality. Another obstacle arises from the fact that consumer personalities vary not just between different countries, but also within and among regions. The marginalized consumer, who lacks equitable access to the same range of options as the typical consumer, must also be considered. The notion of 'consumer animosity' posits that consumers will refrain from purchasing products originating from specific countries, not due to their perceived inferior quality, but rather due to enduring "hostility stemming from past or ongoing military, political, or economic events" involving the nation in question. In the present study, it is seen that despite the conflict between India and China in 1962, such an occurrence did not take place in the Indian case. The pricing, quality, and utility of a product might impact consumer purchasing behavior. When designing products, it is important to consider the taste and preference of consumers, including their likes and dislikes, feelings and attitude, and behavioral elements. All these things have a role in influencing their preference for Indian products.*

Current research on the effects of country-of-origin reveals that as international manufacturing expands, global firms are attaching less importance to the origin of their products in order to obtain a competitive advantage and shape client preferences. Multiple causes are propelling the growth of multinational corporations expanding into India. India has an extensive market. Moreover, it is one of the fastest-growing economies worldwide. Furthermore, the government's stance on foreign direct investment (FDI) has played a substantial role in enticing international corporations to invest in India. India implemented a longstanding policy that imposed limitations on foreign direct investment. As a result, there was a decrease in the number of firms that showed interest in investing in the Indian market. Nevertheless, the situation experienced a significant change due to the implementation of financial deregulation in the country, namely after 1991. The government is now making efforts to attract international investment by relaxing some rules. As a result, numerous multinational companies have shown interest in the Indian market.

The differences between emerging and developed markets, combined with the increasing purchasing power of middle-class consumers in emerging markets, as well as their growing familiarity with products from other countries, highlight the need to assess the appropriateness of the current concept of Country of Origin (COO) in this specific context. Consumer animosity refers to the idea that customers will choose not to buy products from certain countries. This decision is not based on the belief that the products are of poor quality, but rather on a long-lasting "hostility" resulting from past or ongoing military, political, or economic events involving the country in question. The current study reveals that despite the 1962 confrontation between India and China, a similar event did not occur in the Indian context. Consumer purchase behavior can be influenced by factors such as the pricing, quality, and utility of a product. In emerging markets like India, the purchase choice of a product is intricately linked to its utility, a suitable price that corresponds to its quality and functioning, the perceived psychological proximity, and any preexisting aversion towards the product

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