



*‘Consumer Perception of Foreign Brands:*

*Usage and Refusal of Foreign Brands’*

**Report on**  
**‘Consumer Perception of Foreign Brands:**  
**Usage and Refusal of Foreign Brands’**

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## **Letter of Transmittal**

June 15<sup>th</sup>, 2014

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### **Subject: Submission of Internship Report**

Dear Dr. Tanvir Ahmed,

With great gratification I am submitting my internship report on “Consumer Perception of Foreign Brands: Usage and Refusal of Foreign Brands’ on general consumers that you have assigned me as a requirement of Internship program. It is really a huge prospect for me to collect information and take hold of the subject matter in an appropriate way. I have found the study is quite interesting, helpful and insightful and tried my level best to put in order an effective report. I sincerely think likely that my analysis will assist to provide a clear idea about the ‘Consumers perception regarding Foreign Brands’, and also hopeful enough to believe that you will find this report worth for all the labor I have put in it. Furthermore, I also want to thank you for your guidance and I would kindly welcome your any kind of question regarding the paper.

## **Acknowledgement**

This paper is the outcome of the hard work and the support of all the people related to the preparing process of this report. Without the cooperation of each and every person related to this paper it would not be possible for me to complete the paper. I am grateful to my internship supervisor Dr. Tanvir Ahmed, Assistant Professor, BRAC Business School, BRAC University for providing me detailed feedback and support all the time on this project work. I would also like to thank my friends and family and the respondents for helping me with the relevant information regarding the topic of my report that I needed to complete my paper. Without their contribution, it would not have been possible for me to conduct this report work.

## **Executive summary**

This report is part of my internship program which I have done as a requirement of BBA program. I have successfully completed my internship program from Mercantile Bank Limited under Accounts, Cash, Clearing and Foreign exchange department. It was twelve weeks long internship program which I started from 12<sup>th</sup> January and finished in 10<sup>th</sup> April, 2014. This is a report regarding consumer's perception of foreign brands, how do consumers build their perceptions, how it is affected and the impact of their perception in their purchasing behavior.

The objective of this study is to analyze the consumer's perception regarding foreign brands that they like and use. To prepare this report both primary and secondary sources of data have been used. A questionnaire has been made and interviewed 10 general customers. The introductory part is actually developed for the proper implementation of the entire report. The remaining part of the paper actually consist the findings and analysis, managerial contribution and conclusion.

There are foreign and local brands available in **B**angladesh. People hold different perceptions regarding both foreign and local brands. Based on their perception about brands they accept both the brands. At present, some brands of Bangladesh (Walton Motorcycles, Beximco Pharma, Shinepukur Ceramics and Biman Bangladesh) have gained the 'most promising brands' name among the two hundred brands at the first ever Asian brand and Leadership Summit held in Dubai in August last year. This seems that Bangladeshi brands are becoming well known in the Asian market, has a good future prospect and perception of consumers will more or less be affected by this news. Regarding the knowledge of the customers or their perception about foreign and local branded products, there are three categories of consumers whose nature have impact on their purchasing behavior. That is, users or foreign brands, patriotic consumers and disloyal customers. Not only are the categories of customers, there also other factors such as price, quality, country of origin, popularity, self image consistency (actual, desired, extended or empty self) and also different sources to acquire information about brands have impacts in the consumers perception and also their purchasing behavior.

The level of impact these factors are having on the customers mind also varies depending on some other factors that are discussed in the paper. To conclude it can be said that all these factors

are interrelated and are interacting with each other to help the customers to choose the between the brands.

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# 1. Introduction

A brand is creating a name, symbol or design that identifies and differentiates a product from other products so that it is easily known by the people. The objective of a brand is to set a product or service different from others of its kind, and influence the consumers to choose the product over similar products simply because of its associations. Brands can be local or foreign. Every consumer holds their perception on brands based on the information they attain from many sources. Consumer perception is a way to know people's psychology that comprises of awareness and consciousness about a company and the products offered by the company as well. Based on the perceptions, consumers make purchase decisions. Thus, consumer perception plays a significant role in their purchasing behavior as well as their perception regarding foreign and local branded products which at the end has an impact in the usage of the consumers.

There are also other factors that have influences on consumer perceptions about foreign brands or branded products based on some studies about foreign brands. These are company actions (Bryant Simon, 2011, Starbucks boycott), undesired self and image congruency (Ozlem Sandiki and Ahmet Ekiei, 2007) consisting of actual self, desired self, empty self, extended self. Consumers purchasing behavior is influenced by the self concepts as consumers purchase products that maintain the self concept and also according to McCracken (1987) 'possessions can be instrumental to maintenance of self concept'. More factors also have impact on consumer perceptions such as predatory globalization because Globalization perpetuates poverty, deepens inequalities, damages working conditions, fragments communities, events out the cultures and destroys the environment (Klein 1999; Mittelman, 1996), chauvinistic nationalism because it involves attitudes and beliefs about national superiority and stresses the idea that one's own nation is the only entity of self determination and respect (Wittrock, 2004). So when consumers think such manner, they develop stereotyped images of countries and use these images while evaluating products from different origins (Han and Terpstra, 1988). The last factor, religious fundamentalism also influences consumer perception. Religion can have some negative force on consumption behavior by elimination of certain products, such as the ban on consuming pork on Islam. Religious affiliation can be a predictor of positive or negative consumer behavior (Hirschman, 1983; Delener, 1990).

All the above factors influences consumer perceptions and their purchasing behavior regarding foreign brands or branded products. However, no research has been done on Bangladeshi consumers about their perception regarding foreign brands; their usage and refusal of foreign brands. As a result, this research will investigate consumer insight using qualitative method and projective techniques (word association, third party expression technique, dream elicitation).

## **1.1 Objective of the report**

### **1.1.1 General objective:**

The main objective of the report is to analyze the ‘Consumer Perception of Foreign Brands: Usage and Refusal of Foreign Brands’.

### **1.1.2 Specific objective:**

- To understand consumer perception concerning foreign brands or branded products
- To find out what influences consumer perceptions about brands
- To understand and find out how consumer perception has an impact on their purchasing behavior contributing to the usage and refusal of foreign brands

## **1.2 Methodology**

In order to conduct the study, a qualitative research procedure was used that consisted of projective techniques such as word association, third person expression technique, and dream elicitation technique. Qualitative research is an unstructured research method which is conducted to gain insight and understanding of the problem setting based on small samples. The outcome of a qualitative research is to develop an initial understanding of the problem. Projective techniques are a form of qualitative technique involving indirect form of questioning that encourages the respondents to reveal their underlying motivations, beliefs, attitudes or feelings regarding the issues of concern. To gain insight from the respondents an in depth interview was carried out so that I can gather not only the answers given by the respondents, also because so that I can probe the respondent answers to gain more in depth information for my research topic. Both primary

and secondary data were collected. Primary data is the data collected through the respondents by performing in depth interview. Primary data was given more emphasis because the research is qualitative. For secondary data I went through some articles, some research books related to the topic of the study to acquire an idea and prepare myself for the interview sessions. Moreover, I also went through some of the websites to that helped me to gather information regarding the foreign brands present in Bangladesh.

For the research, ten respondents were interviewed because in most of the cases of qualitative research these numbers of respondents are regarded as ideal numbers to get an indication of the population. To carry out the interview, I have prepared a questionnaire for the respondents. Though a questionnaire was used, I have used both structured and unstructured ways to conduct the interview because the most importance was given to the other responses or factors that the respondents were sharing or expressing. The questionnaire covered the basic information about the consumers at the start but later the interview was performed in an unstructured manner that is in depth interview, where questions were asked based on the responses given by the respondents or through probing.

Since the study was conducted on the perception of the consumers regarding foreign brands or branded products, all the respondents were users of foreign brands except few respondents. I went to Bashundhara City at Panthapath to carry out the interview because most of the foreign branded stores and products are available there and huge numbers of customers also visit that shopping mall. At first it was very difficult to convince the customers for the interview since it needed a bit long time. But later the interview was successfully done with the help of the respondents and some store managers and the employees.

All the detailed information collected from the interviews were written down properly so that a clear picture of the respondents are acquired thorough the thematic analysis. Thematic analysis was done to find out some key factors which were related to the study and were also satisfying the purpose of the research. Later, those key words were exemplified further in detail so that I can have a clear understanding and idea about their role in the research topic. These key words are actually the themes of the analysis process. It was very tough to find out the themes since these themes were selected based on their function in understanding the data rather than their rate of occurrence.

### **1.3 Limitations**

I have given the utmost effort to complete the report but there were some limitations which are given below.

- Since qualitative research technique has been used in the paper, the information collected was insufficient because it was a bit difficult to collect necessary information from both primary and secondary sources. So, I had to end the interview within a short period of time.
- Most of the store employees were busy in serving the customers and I had to wait for those customers after they were done with their purchase so that I can take the interview from them.
- The respondents were not that much interested to take part in the interview as it was time consuming and also because they were busy with their own stuffs and unwilling to talk.

## 2. Literature review

Perception is our ability to make some kind of sense of reality from the external sensory stimuli to which we are exposed. Consumer perception is an attempt to understand how a consumer's perception of a product or service influences their behavior. It also focuses on how consumers make the decisions they do, and what influences these decisions as well. However, consumer perception is a way to understand people's psychology in a much more general sense. On the other hand, a brand, or a brand name, is an effort to impose some kind of recognizing feature, logo, image or an element on a product or service so that it is easily known by the public or people. The goal of a brand is to set a product or service different from others of its kind, and influence the consumers to choose the product over similar products simply because of its associations. Brands can be local or foreign. Every consumer holds different perceptions about brands. Based on the perceptions, consumers make purchase decisions leading to the usage and refusal of many brands. Here, consumer perceptions regarding foreign brands are discussed in the following paragraphs.

Nowadays, firms or corporations are finding it difficult to hold their brand image, respond to consumer desires or preferences, and continue operating according to their principles in the marketplace because of consumer's participation or engagement in boycotting. Bryant Simon (2011) focused on the boycotts of the coffee shop Starbucks by the African Americans due to police violence against the black people. The African Americans are considered as criminals and shot first when caught by the police rather than investigation of the crime. So, at first they started to protest against this vicious killing of the police towards them through marches, registered voters etc. But there was no sign of change. As a result, civic engagement started to boycott the well known coffee shop in the United States. This was because, according to the African Americans, since Starbucks works for the community through local charity works and conducts environment programs, they should stand along with the protest i.e. Starbucks should demand police brutality. Moreover, consumers have lost their trust on the government as they think that power has been transferred to corporations since government is not responding or reacting to consumer demands. Hence, they stopped buying Starbucks product, thus boycotting the coffee company. Through consumer participation, buyers think their voices for the protest will be heard in the marketplace expressing their say through the point of purchase, social networking sites, or

other media as well rather than only expressing through the voting booth. In addition, consumers think buying and protests does have the power to make a change and make companies operate in the manner they do not want to.

Starbucks boycott shows that consumer actions are easily controlled by the excellence and quick moves of multinational brands. So when company actions are not in favour of the consumers, they build up a negative image or impression about the company in their minds which previously had almost universally positive image among the consumers. This negative thought or perception of a company reduces the usage of foreign brands or simply stop buying foreign branded products. The cognitive theory of Festinger (1957) also supports this, i.e. people hold much cognition about the world and themselves; when these clash, a discrepancy rouses in the mind, resulting in a state of tension known as cognitive dissonance. As the experience of dissonance is unlikable, people are motivated to reduce or eliminate it, and achieve consonance. Overall, it can be said that company actions whether in favour of consumers or not, influences consumer perceptions, thus, affecting the usage and refusal of foreign brands.

Many questions might arise in the mind that as to why consumers boycott and what is the motivation for boycott participation. Sen, Gurhan- Canli, and Morwitz (2001) conducted a theoretical framework and found that consumers' participation decisions are influenced by their perceptions of the likelihood of the boycotts success, their receptiveness to normative social influences (social pressure), and the cost associated with boycotting. Moreover, Sen, Gurhan-Canli, and Morwitz (2001) abstracted boycotts as social dilemmas, where a consumer decides between the individual benefit of consumption and the wish of a collective to abstain from consumption so that all get the shared benefits of a successful boycott. Jill Gabrielle Klein, N. Craig Smith and Andrew John (2004) came up with four different categories of motivations for boycott participation: make a difference, self- enhancement, counterarguments, and constrained consumption. With these four motivation categories research was conducted on an actual boycott of a multinational firm that was prompted by factory closings.

In their study, the result was that 95% of the people have heard about the factory closings. Overall 67% of the sample was not boycotting, 17% were tempted to boycott, and only 16% were boycotting. These findings prove that not all consumers who view a firm's actions wrong participate in a boycott.

Based on the above discussion it can be said that consumer boycott and motivation for boycott participation has its own set of effects on the consumer. An in depth analysis about motivation for boycott is further needed to find out the pros and cons that it might have on the consumer perception concerning branded products.

Besides, anti-consumerism is a philosophy contrasting consumerism, which has become more diversified and widespread. It is a movement that persuades consumers to purchase less, as corporations are almost involved in gaining economic goals at the cost of environmental or social concern. Similarly, Zavesdtoski (2002) termed anti-consumerism as a function of a preference to consume one object over another. Based on the research, the authors Ozlem Sandiki and Ahmet Ekiei (2007) came up with some reasons on why a consumer may choose not to consume a particular product. The reasons are political consumerism and undesired self and image congruency.

- Political consumerism:

Consumers who have sufficient money have variety of alternatives in fulfilling their needs. So, the decision taken by these consumers in fulfilling their need is considered as political, because they not only think about the price and quality of a product, they also hold knowledge about the environment and social issues. On the other hand, Micheletti (2003) suggests that political consumerism represents actions by people who make choices among producers and products with the goal of changing objectionable institutional or market practices.

- Undesired self and image congruency:

Self can be defined as only about own self. In terms of marketing, self concept is a belief that an individual holds about themselves based on their own nature, qualities and behavior. It is a mental picture hold by consumers about themselves. The concepts hold by consumers influence them in many situations and consumer behavior is one that is manipulated by it.

There are consumers whose purchasing behavior is influenced by this self-concept. That is, they purchase products that maintain the self concept and also according to McCracken (1987) 'possessions can be instrumental to maintenance of self concept'. Possessions are a convenient means of storing the memories and feelings that attach our sense of past. Accumulation of

possessions provides a sense of past and tells us who we are, where we have come from, and perhaps where we are going. On the other hand, people also acquire products that improve their self concept or belief. The maintenance of the self concept can be termed as actual self or the mirror self. Actual or mirror self is actually how a consumer sees himself/herself based on their own attributes, possessions or qualities. For example, people might hold beliefs that that are pretty or they are efficient or they are talented, they are easygoing etc. Hence, there are consumers who obtain products that get well matched with their individuality and refuse to purchase those which are not equivalent with them. Similar to La Branche (1973) that when possessions are recognized as inconsistent with our images of self, we gladly neglect or dispose of them. Thus, it can be said that actual self influences consumer perception on how they see themselves as well as the perception on branded products, thus, contributing to the disposal, refusal or boycott and usage of some products.

Further, attaining products that improves the self concept can be termed as desired self. Desired self is actually how a consumer would like to see themselves. Besides, advertising themes often increase the discrepancy between actual and desired self. For example, an ad that shows average models with a height of 5'9'' and weighs only 55kgs creates a difference among the woman those who have a height of 5'2'' and weighing 65kgs. Moreover, people who follow celebrities, renowned persons or others who they admire will try to draw on products used by them like branded cosmetics (Nivea deodrant, Olay natural white, Fair and Handsome), fashion items and others (Loreal, Pantene and Dove shampoo) to meet their desired self. Based on the desired self concept hold by consumers it can be held that, consumer's perception about branded items is different from the perceptions of local items. Thus, they desire to acquire branded products in order to fulfill their desired self. Hence, it can be concluded that consumers holding different perceptions about their self also affect their perception on branded products that leads to the usage and refusal of these products.

Not only the possessions and self concept that influences consumer behavior, it is also the extended self which affects it. Extended self means when a product or thing gets attached to a person's emotion and sentiments which later also becomes an important part of a consumer's personality and as said by Tuan (1980), "Our fragile sense of self needs support, and this we get

by having and possessing things because, to a large degree, we are what we have and possess". A house, car, pet, experience, person, place could be an example of an extended self to which one feels an attachment. Extended self could be of three types (Sartre, 1943). It could be through control (such as clothing, automobile), creation (handcraft of a craftsman that has the involvement of self and energy) and knowledge (person, place). If other people are a part of our extended selves, it follows that there should be a sense of self-loss at the death of a spouse, child, or close friend. It seems an obvious fact of modern life that we learn, define, and remind ourselves of who we are by our possessions. This identification with the things start when infant learns to distinguish self from environment and from others who try to envy possessions.

According to the article the extended self varies among different groups of people with different age limits. Different groups consist of adolescents and adulthood (upto 30 years), preretirement adulthood (40-50 years) and old age (after 50years). Adolescents inevitably undergo an "identity crisis" which they seek by attaining and collecting selected consumption objects (Erikson, 1959). So when an automobile is smashed, the holders (young Americans) react as if their own bodies have been injured. Material possessions such as clothing and automobiles are seen as an important source of prestige during high school (Snyder 1972). On the other hand, the adulthood cited possessions as skills such as athletic equipment and objects which they can manipulate and control such as pets. Preretirement adulthood respondents value possessions through social status and power (Furby, 1978) such as house, car, and furniture. Old age (grandparents) respondents treasure possessions such as photographs, trophies, visual art, belongings of close friends etc because it symbolizes others and feel happy in keeping such possessions than those that do not hold. Like other parts of extended self, when consumers believe strongly enough in money as part of extended self, their well-being is linked to the well-being of their money. The finding of Psychoanalyst Fingert (1952) supports this. It says that a male patient was unwilling to pay analysis fees because the patient feared he would be losing a part of his own body.

On the other hand, an empty feeling surrounds people when they see others possess things that are beyond their reach. Empty feeling might be positive or negative. Negative feeling can be termed as malicious envy, where consumers feel jealous of others possessions. For example, a consumer might feel an empty self when she or he sees their friends, colleagues using Gucci

bags and watches and cars like Mercedes Benz or any other branded products. So, these consumers are likely to scratch the automobile of the possessor when they get the chance. It is because at present they do not have the ability to hold the thing and even if they can manage in getting the item they have to wait for a long time keeping an empty self inside. Overall, from this empty feeling it can be said that consumers hold a different perception on using foreign branded goods. So, they urge for using those foreign branded products because it will reduce their empty self and feel good about themselves.

Not only the products but also the skills, ideas and creativity of other people might create an empty self within a person. A good example would be the findings of a research by Wicklund and Gollwitzer (1982). The results of the research was such that MBA students who are more insecure about their job prospects strongly adopt the stereotypical business symbols such as short hair, expensive pens, business shoes etc. From this finding it can be said that consumers feel an empty self or low inside when they see others having a good career and thus desire for a career such as the businesspersons. This positive empty feeling of the consumers can be termed as benign envy where no harm is done to the possessor.

In the light of above discussion it can be said that all the selves such as the actual self, desired self, extended self, positive and negative empty self has its own set of effects on the behavior of the consumers. A detailed analysis of these selves is very crucial to determine the positive or negative effects it might have on consumer behavior about a product. .

The authors not only dealt with these three areas of brand rejection, they explored further by conducting a qualitative research about the brand rejection behavior of the customers in Ankara, Turkey between March and December 2005. The research had two stages. In the first stage, the authors trained some senior MBA students about the qualitative research techniques and advised to conduct semi-structured interviews with consumers where the student asked consumers about the brands that consumers are refusing to purchase and the reason as well, as to why they are behaving in such manner. The students found that two brands were rejected i.e. Coca Cola and Cola Turka, a Turkish cola brand. In the second stage, the students interrogated the devoted and exclusive customers of Coca Cola and Cola Turka with a list of open ended questions about the usage and non-usage actions of the customers and the causes of their usage or non-usage.

The findings of the research are such that consumers reject Coca Cola or Cola Turka due to political ideology reasons and product-related reasons. Political ideology involves three reasons and these are predatory globalization, chauvinistic nationalism and religious fundamentalism.

- Predatory Globalization:

Globalization is phrased as predatory because it perpetuates poverty, deepens inequalities, damages working conditions, fragments communities, events out the cultures and destroys the environment (Klein 1999; Mittelman, 1996). Some consumers stay away from drinking Coca Cola because they assume it represents American cultural imperialism. Consumers who reject Coca Cola think Coca Cola as a symbol of power by the United States. In addition, many customers dispute that Coca Cola brands are available almost everywhere such as the super stores, cafes and restaurants. Hence, they are required to buy Coca Cola rather than the Turkish Cola brands. Not only has the availability of Coca Cola, the war between America and Iraq also stressed some influence in the mind of the consumers and for which many people think that who buy Coca Cola would be as unkind as the former US president Bush. From these findings it can be said that, consumers hold perceptions that foreign brands bring a different culture to the countries where they are marketed. As a result, foreign branded products are not accepted by the country people (where it is marketed) as they do not like to follow other country culture. In addition, if there is a past history or clash between the two countries i.e. the western company country and the other country where it is marketed, people similarly hold same perceptions about foreign brands and thus reject to use foreign branded products.

- Chauvinistic Nationalism:

Chauvinistic nationalism involves attitudes and beliefs about national superiority and stresses the idea that one's own nation is the only entity of self determination and respect (Wittrock, 2004). So when consumers think such manner, they develop stereotyped images of countries and use these images while evaluating products from different origins ( Han and Terpstra, 1988).The companies which strictly follow chauvinistic nationalism do not care about any limitations in its nation-building method even if this means demolishing other nations in the process. Moreover, when product familiarity and knowledge is low among the consumers, country of origin (COO) leads to decision making of the consumers in rejecting brands. To sum up, it can be held that

country of origin plays an important role for many consumers. There are numerous consumers those who prefer to use own country products and foreign branded products as well. So, when consumers lack the knowledge about products, they look for the country of origin (COO) before purchasing the product. A good example of this would be a Bangladeshi consumer buying Walton mobile phone (who feels good in using country made products at a reasonable price) rather than using other foreign branded handsets (Nokia, Samsung, Sony etc that are sold at a more higher price with more or less similar facilities). The scenario can be different for other country consumers. On the whole, COO has an impact on consumer perception about foreign branded products.

- Religious Fundamentalism:

Religion can have some negative force on consumption behavior by elimination of certain products, such as the ban on consuming pork on Islam. Religious affiliation can be a predictor of positive or negative consumer behavior (Hirschman, 1983; Delener, 1990). From the research of the Coca Cola and Cola Turka it has been seen that Cola Turka drinkers prefer to drink it because it reflects the Muslims as the Ulker Company is Islamic thought oriented. In addition, people favour Cola Turka not only due to its taste; also because they think Coca Cola has some ingredients that are not allowed to be taken in Islam. Due to this thinking of the Cola Turka consumers, the Coca Cola people thought that the Ulker Company has a conservative mind set between religion and modernity which the company is using for its financial gain. Thus, religious fundamentalism strategy is causing many consumers to purchase Cola Turka rather than Coca Cola.

To conclude, it can be apprehended that, it is not only the companies that face difficulty due to brand rejection or refusal or boycott, the consumers those who reject a product because of religious fundamentalism, predatory globalization and chauvinistic nationalism also lack the advantage of having the real flavor and quality of a product. Moreover, company actions, the concepts of self (actual, desired and empty self) also affect consumer perceptions regarding foreign brands. In short, it can be said that brand rejection hurts both the company and the consumers.

### **3. Findings & Analysis**

After taking in depth interview of ten customers concerning foreign branded products, I have found out the reasons that actually have an influence on the perception of Bangladeshi customers regarding foreign branded products. After receiving and gathering information collected through the interview, I have come out with some themes that I think are related with the data. These include, the definition of the term 'brand', the influence of different sources such as friends and family, media (TV, newspaper, radio), social networking site (facebook), factors looked by consumers before obtaining foreign branded products, patriotic customers, brand loyalty, pop-up of brand names, brand preference and empty self. These themes have been analysed in the following.

#### **3.1 Brand:**

According to the respondents the word 'brand' is an identity that sets a product apart from other products through its symbol, logo, name by offering good quality products which consumers find trustworthy and expensive. From the data collected from the respondents it has been come across that the presence of symbols, logo and names in products makes it easy for consumers to identify branded products in the marketplace. Moreover, to them having an identity means the product is of good quality making them feel that the branded product is trustworthy and also expensive. Consumers of Bangladesh like to purchase foreign branded products because they think brand is an identity that differentiates branded products from other normal products often the cost of which is borne by the final consumer. Even though consumers have to bear the high price they like obtaining branded products because it is unique and offer good quality and have been using it for three to ten years and above.

#### **3.2 Influence of different sources:**

The data collected from the respondents' shows that they acquire information about different foreign branded products mostly through friends and family, the media (TV, newspaper, radio) and social networking site (facebook). This signifies that most of the Bangladeshi customers strongly believe their closed ones, are active in reading newspapers, watching television, listening to the radio and also like to use social networking site (facebook) very much.

### **3.3 Factors looked by consumers before attaining foreign branded product:**

The data accumulated from the respondent indicates that before purchasing any foreign branded product customers seek for many factors. These include, price, quality, country of origin, popularity of the brand and of course brand consistency with their self image. None of the respondents look for religiously favorability of the brand.

- Price

As per the data collected from the respondents it has been seen that Bangladeshi consumers find branded products expensive (negative perception), so they look up for the price and refuse to buy the product when the price is too high. This is because the product is from other country i.e foreign and also it is a branded product. So they always look up for this factor as they hold negative image about prices of foreign branded products.

- Quality

Since a brand provides good quality products according to them, they rely on user feedback for quality assurance especially their friends, family, colleagues, parents holding a positive image about foreign branded products in their mind. Since customers hold a positive image about quality this factor is very important for them before the purchase.

- Country of origin

Country of origin is also an important factor because most of the customers prefer to buy specific country made branded products such as Japanese brand for electronics and American and Germany brand for sports. This indicates that there are customers who hold knowledge about other country branded products and hence search for country of origin factor before attaining the foreign brand.

- Widely recognized brand

From the data collected from the respondents, it has been found that customers also give very much importance to the popularity of a brand along with other factors. A brand that has gained market popularity sends a message to the their mind that it is a good quality product, because it is

the consumers (users) who made it popular because they are satisfied with the performance of the brand and trust the brand too.

- Self image consistency

It has also been found that customers search whether the branded product is consistent with their self image (actual, desired, extended, empty self) or not because if not matched, consumers prefer not to buy that foreign brand. All these factors indicate that the Bangladeshi customers look for every aspect that are needed before obtaining any foreign brand or branded product because branded products are unique and deliver more than other local branded products.

### **3.4 Patriotic consumers:**

From the data collected from the respondents it has been found that there are two respondents who like to purchase country made branded products. This is because they have a belief that country made products are of good quality and love their country and feel good in using country made products such as Walton and Aarong. From this it can be said that country of origin plays an important role when knowledge and familiarity of the product is low. In addition, they also responded that when country made products are present in the country for some product categories why would someone go for foreign branded products. Not only this, they consider consuming foreign branded product as unpatriotic and harmful to the economy. Based on this patriotic nature of the consumers they develop stereotype images in their mind about country made products and evaluate other country products (foreign) based on this. Only when country made products are not available for some product categories at that time one can go for foreign branded product. This result indicates that there are at least few Bangladeshi consumers who do not attain foreign branded products and prefer to purchase local branded products because they believe and love their country and thus this patriotic nature of the consumers is a sign of rejecting foreign branded products.

### **3.5 Brand disloyalty:**

Data collected from the respondents indicate that they do not stick to using one foreign branded product for very long. That is, even though satisfied with the performance of the branded product, they like to experiment new brands when it is available in the market because of

curiosity, image consistency and they think that trying out new branded product is fun. Besides, from the data collected, there is only one respondent who is loyal to foreign brands they use. This suggests that most of the Bangladeshi consumers are fun loving and are curious to know about new things available in the market and ofcourse not loyal to the foreign brands they use as they like to switch quickly. Moreover, this switching of brands also leads to decline of some foreign brands.

### **3.6 Pop-up of brand names:**

The data collected from the respondents indicate that they can recall foreign branded products more in comparison to local branded products when asked to name the brands for some given words. The brand names mentioned by the respondents are of foreign brands mainly such as Nike & Adidas for sports, KFC & Pizzahut for restaurant, Nescafe for coffee, Coca Cola for soft drinks, Loreal for cosmetics, Axe and Nivea for fragrance and Bata for shoes. Only for apparel the respondents came up with local brand names i.e Aarong and Artisti. The reason behind this is the company commercials shown in the television and YouTube by different superstars, popularity of the brand through positive word-of-mouth, observing people using brands for long, advertisements in the newspaper and social networking sites. This indicates that it is the company actions, consumer's positive word-of-mouth or feedback and observations are the main reasons behind customers recalling foreign brand names increasing its usage.

### **3.7 Brand preference:**

The data collected from the respondents indicate that most of them are more willing to buy foreign branded handset in comparison to local one when respondents are presented with two handsets Walton and Samsung in a given situation. This is because Samsung has already gained a presence in the market; it is widely recognized and reliable too. Besides, Walton being a country made product, it is still trying to build and hold its image in the marketplace, and due to this Walton brand is still less reliable in contrast to Samsung. So, from this finding it suggests that consumers of Bangladesh still prefer to buy foreign brands more in comparison to local ones because Samsung took the first mover advantage.

### **3.8 Empty self:**

The data collected from the respondents suggests that they are fond of buying foreign branded products when given a hypothetical situation where they have a plenty of money to buy from a vast collection of local and foreign branded products from the world's best and largest shopping mall. Mostly, maximum number of respondents chose to buy foreign branded products with their hypothetical money. This indicates that most of the Bangladeshi customers usually want to buy foreign branded products over local products. They think that the foreign branded products are classier, trendy and go well with their self image than do the local products. So, when they have the hypothetical money in hand, they first want to fulfill their empty self which they have desired deep inside their mind.

## **4. Managerial Contributions**

1. The findings of the research might be helpful for foreign company managers. From the findings it has been seen that Bangladeshi consumers perceive foreign branded products as expensive because first of all it is a foreign product and also it is a branded product delivering something extra. That is, there are some consumers who hold a negative perception about foreign branded products. Based on this finding, the managers should find out up to what percentage of consumers think in this manner about foreign branded products. Upon receiving the result about the percentage of consumers, managers of foreign companies can sit for a group discussion with other employees of the organization working under the manager to find out ways how beneficial it will be for the company and the consumers if the prices of the branded products are reduced up to a certain level which also might help in changing consumer's negative perception.
2. From the findings it has been seen that Bangladeshi consumers perceive foreign branded products as good quality and rely on user feedback for quality assurance. That is, consumers have a positive perception about foreign branded products regarding quality. From this foreign company managers should take into account that quality of their product should be maintained and controlled so that they can retain their existing customers. Keeping hold of the existing customers is profitable for the company because these customers know the company and its products and when satisfied with the performance of the branded product they not only will continue to use the products further, but also they will recommend others (i.e. friends and family) about the quality of the foreign branded products. To sum up, maintaining and controlling the quality of the foreign branded products helps in sustaining consumers' positive perception, retaining existing customers and also acquiring new customers through accessible customers.
3. The research on Bangladeshi consumers indicate that there are some patriotic consumers who hold positive beliefs that country made products are of good quality and due to this patriotic nature they build stereotyped images in their minds about country made products and assess foreign country made branded products blinded by their patriotism. This

assessment between own country and foreign country made branded product occurs when consumers lack product knowledge and familiarity. This finding will be helpful for foreign company managers even though the number of patriotic consumers is not many, managers can at least have an idea how patriotic consumers are and how they evaluate foreign country made branded products and the reason behind this thinking. Managers should also focus on the history of the country (Bangladesh), the culture of Bangladesh, the lifestyle of the Bangladeshi consumers so that they can have a vast idea about different consumer segments living in Bangladesh and introduce, familiarize and educate consumers about their foreign products in a way that is profitable for both the consumers and the company.

4. Further, the findings indicate that Bangladeshi consumers are not brand loyal to foreign products because they like to experiment with new foreign branded products since they find it fun and also have a curiosity to know about new things available in the marketplace. From this result, managers of foreign company can take into account that loyalty perception is different for Bangladeshi consumers and consumers also have a keen interest to know about new brands. Managers should keep this information in their mind, focus and find out on where the trend is going or what do the consumers actually want or search for which they find switching brands fun.
5. It has been found that the consumers of Bangladesh prefer to use those foreign branded products that have gained market popularity. In addition, also found that a brand gains popularity among Bangladeshi consumers through commercials in television and YouTube, word-of-mouth of consumers, advertisements in the newspaper and social networking sites, observing people using brands for long period. This result will be helpful for foreign company managers because they will know which channel of media will be helpful for them to introduce, familiarize and popularize their foreign branded product in Bangladesh market.

## **5. Conclusion**

This study was actually conducted to find out the perception of Bangladeshi consumers regarding foreign brands and how their perception about foreign brands influences their purchasing behavior that contributes to the usage and refusal of the brand. A brand is an attempt to impose some kind of recognizing feature, logo, image or an element on a product or service so that it is easily known by the public or people that sets a product apart from other products by offering good quality products which consumers find trustworthy and expensive. There are foreign and local branded products available in the country. Consumers view both foreign and local branded products in many ways based on their perception about brands. Perception is the way how a consumer understands and notices something by using their senses to which they are exposed. Consumer perception is a way to understand people's psychology that comprises of awareness and consciousness about a company and the products offered by the company as well. Consumer perception plays an important role because it affects their purchasing behavior as well as their perception regarding foreign and local branded products, whether positive or negative. Thus perception of consumers affecting purchasing behavior contributes to the usage and refusal of many foreign branded products.

Based on the research, it has been found that perception of Bangladeshi consumers about local and foreign branded product does vary among individuals and has great influence in their purchasing behavior. There are three categories of consumers found from the study. First, there are consumers, who like and use foreign branded products, as it is reliable, good quality, widely recognized and also it is consistent with their self image. Second, there are patriotic consumers who do not like and attain other country products because they love their country and also build stereotyped images about own country products when comparing with other country made branded products especially when product knowledge and familiarity is low. Third, there are disloyal customers who do use foreign branded products but switch brands frequently because they feel good in using new brands that is consistent with their self image whether actual, desire, extended or empty self and also since experimenting new foreign branded products keeps them stay updated.

The perceptions of these categories of consumers about foreign and local branded products are affected by many reasons. The result of the study shows that it is the company actions such as commercials in the television and youtube, advertisements in the newspaper, internet or social networking sites, through people's word of mouth or user feedback and also having seen other customers using the products for long period. To sum up, it can be said that company actions, customer word of mouth, observation and user feedback has an effect on the perception of the Bangladeshi consumers which at the end impacts their purchasing behavior.

To conclude, the findings of the report 'Consumer Perception of Foreign Brands: Usage and Refusal of Brands' will be helpful for foreign company managers because they will at least have an idea about the different categories of consumers present in Bangladesh, the perception of the Bangladeshi customers regarding foreign brands, how perception develops among the customers and how it is affected by different media and other sources and also will help the managers to think and find out ways in changing the negative perceptions concerning foreign branded products while maintaining and controlling the quality of their branded products.

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## Appendix

➤ **Demographic information:**

Name:

Gender:

Age:

Medium of education:

Profession:

Monthly income:

Marital status:

- Describe what does brand mean to you?
- Do you like to buy foreign branded products? Can you tell me for how long you have been using foreign branded products?
- How did you come to know about foreign brands?
- FnF
  - Internet
  - Media (TV, newspaper, radio)
  - Social networking sites
  - All of the above
  - Others
- How much do you know about foreign brands? That is, do you usually acquire information only for usage of the brands or you gather more information to have idea

about different foreign brands so that, having vast knowledge about brands helps you in purchasing? Explain.

- What factors do you look for before purchasing any foreign brand or branded products? Please explain why?
  
- Here are some other factors that you might look before attaining any foreign brand, but could not recall at present. You can choose as many factors you want if you look for it. Please also explain why do you search for these factors for a branded product?
  - Country of origin
  - Packaging
  - Color of the brand
  - Widely recognized brand or not
  - Brands consistent with self image
  - Religiously favorable or not
  
- What do you usually do with foreign branded products? Do you continue using it for long if you are satisfied with the performance of the product?
  
- If there is any new foreign brand in the marketplace, do you like to experiment or try the product out even if you are satisfied with current foreign branded product that you are using? Please explain your reason.
  
- Would you buy a foreign brand product if your favorite celebrity promotes it? Please explain your answer.
  
- What is the first brand name that comes to your mind when you think of the following words? What association do you find with the brand that you mentioned?

Words	Brand name and association
Sports	
Fast food/ restaurant	
Coffee	
Soft drinks	
Apparel	
Fragrance	
Cosmetics	
Shoes	

- Suppose one of your friends had been given two handsets and he or she has to select one from it. I.e. WALTON and SAMSUNG. Which handset your friend is likely to choose and why? Please explain.
  
- Suppose you are in the world's biggest shopping mall where you have plenty of money and can buy anything you want. What would you buy first and why?