A Study on Dominance of Non Indian Goods in Indian Online Market

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Abstract: Videshi mania is nothing new on Indian soil. Indians always took pride in having a son abroad or a daughter getting married to an NRI or flaunting an item procured overseas. Now with the metropolis going through a deep economic transformation and the escalating demand for foreign brands in almost every sector, we must finally face the undeniable truth. The fact that in an attempt to own one or two of those videshi goods, we have started becoming habituated, maybe even obsessed with them. Unfortunately and regrettably, most of us, just aren’t aware that the products that we like so much and use on a daily basis are not Indian but manufactured by international houses.

1. Introduction

When it comes to buy products online before knowing your product is Indian made be sure that you use Indian e commerce sites. Because to that extent Indian products or services being dominated in Indian online market.

Let’s take a closer look at a typical day in India. We begin by brushing our teeth with Colgate /Close-up/ Pepsodent toothpaste. Then take a shower with Lux/Liril/ Pears/Rexona soap. Eat a bowl of Kellogg’s cereals and make a glass of Bournvita for the kids. Put on our Levis jeans and an Adidas or Nike shoe. Apply some Revlon or L’Oreal make-up. Ride a Ford or Fiat to office. What have we become nothing but brand ambassadors endorsing and flaunting foreign labels in our daily lives. We cannot blame the consumers for not choosing wisely or making the right choices. Times have changed, and so has the consumer’s buying habits and psychic. Sasta aur Tikao propaganda (cheap and best) used to sell but not anymore, these days it is about what sells the best and what attracts the most irrespective of the price tag. With the MNCs bringing to the table substantial advantages by bombarding the consumers with great many choices and luring them with attractive offers, it only makes life difficult for our home grown products! Moreover with the Think Global, Act local strategy, and making products especially for the
Indian masses, these MNCs have been successful in making quite an impact. Mc Donalds gave us Aloo Tikki burger and we loved it.

Recently in a TV show researcher have seen as people have more faith and interest in foreign goods of all kinds, especially electronic and electrical goods, clothes, food items and even medicines, India is losing lot of exchequer to foreign countries. But people are neglecting some of the best products produced by most reliable Indian companies. Because of great competition with foreign companies, these companies are losing their momentum and closing down their units. In one way we Indians because of not buying Indian products becoming the cause for unemployment. To stop the outflow of our exchequer as well as to eradicate employment problem, Indians have to follow the concept, "Be Indian and buy Indian".

2. Objectives of the Study

[1] To measure the impact of non-Indian goods in India online market (primary objective).
[2] To evaluate the need of non-Indian products in Indian online market.
[4] To compare the competitive marketing strategies of Indian and Non-Indian goods.
[5] To find the factors that influence the online customers towards purchase of non-Indian goods.

3. Scope

The research was undertaken to gather information from the respondent to know exactly perception of people and their response towards dominance of non-Indian goods in Indian online market and the study is restricted within Chennai city among public.

4. Limitations of the Study

- The sample size was of 100 respondents only.
- There may be bias of information on the part of respondents
- Lack of cooperation on the part of respondents was a limitation but maximum effort has been taken to ensure accuracy of data.
- The study was confined only in Chennai and the results of the study cannot be generalized.
- It is difficult to know if the respondents gave accurate information
5. Research Methodology

A detailed research has been carried out to understand customer perception on dominance of non-Indian goods in Indian online market. The methodology adopted to achieve the project objectives includes descriptive research methods. The research is mostly based on primary data.

Primary data

The primary data are those that are collected for the first time, and thus happens to be original in information. For this study, structured questionnaire is taken as primary data and the information is collected from the residents of Chennai.

Secondary data

Secondary data was collected from various web-sites, journals, magazines and newspapers.

Sample size

Sample size denotes the number of respondents selected for the study. For the current study, 100 respondents were selected at random.

Methods of Reporting

The methods of reporting of the data are by tables, graphs and charts for effective understanding and some statistical tools like percentage analysis, , chi square have been used to understand the various aspects.

6. Review of Literature

Huang, Huat Wei; De Run, Ernest Cyril; Ting, Hiram; Colin Ting, Huong Sung (2016); “‘Made In China’ Products and the Implication of Ethnic Identification Strength” in International Review of Management and Marketing; Volume 6 no.3; Econ Journals; Oct.2016, Mersin, Turkey. Srivastava, R.K (2015); “Consumer Purchase Behavior Of An Emerging Market Like India Towards Chinese Products” in Journal of International Business Research; Volume 14 no.1; Jordan Whitney Enterprises, Inc; July 2015, Arden, United States, Ahuja, Gupta & Raman (2003) conducted the study entitled “An Empirical Investigation of Online Consumer Purchasing Behavior” and the study found that 4% of people gave Inability to touch and feel the product as a reason for not shopping online. Akhter (2002) in his study on adoption of online shopping in India and the study indicated that more educated, younger, males, and wealthier people in contrast to less educated, older, females, and less wealthier are more likely to use the Internet for purchasing. Menon & Kahn (2002) in their study revealed that the Internet represents a sufficiently different retail
environment and a different atmosphere which can significantly influence the emotions and motivations of shoppers and thereby affect their buying behaviour. Koivumaki (2001) conducted a study on online shopping and the influence of online shopping on the consumer buying behavior. The study propounded a positive relationship between the online shopping benefits and the frequency of purchases made. Vasterby and Chabert (2001) studied on E-Marketing and found that the internet can make it easier for companies to have information about their products or services available to their Customers or potential customers. That outpace buying through traditional retailing

7. Data Analysis

Chi-Square test for association between Genders of the respondents and the category of Non-Indian products purchased online.

The above table shows that Chi-square test for association between Genders of the respondents and the category of Non-Indian products purchased online. Since the p value is less than 0.05 i.e.,(0.000), the null hypothesis (H0) is rejected at 5% level of significance. Hence, there is association between Genders of the respondents and the category of Non-Indian products purchased online. From the cross tabs it is found that all gender group except other gender buy electronic items. Majority of the respondents belongs to other gender category buy Gift item online.

Chi-Square test for association between ages of the respondents and the category of Non-Indian products purchased online.

The above table shows that Chi-square test for association between ages of the respondents and the category of Non-Indian products purchased online. Since the p value is less than 0.05 i.e.,(0.000), the null hypothesis (H0) is rejected at 5% level of significance. Hence, there is association between ages of the respondents and the category of Non-Indian products purchased online. From the cross tabs it can be found that all age group except 46 to 60 buy electronic items. Majority of respondents belonging to the age group of 46 to 60 purchase home appliances online.

Chi-Square test for association between Occupations of the respondents and the category of Non-Indian products purchased online.
The above table shows that Chi-square test for association between Occupations of the respondents and the category of Non-Indian products purchased online. Since the p value is less than 0.05 i.e., (0.000), the null hypothesis (H0) is rejected at 5% level of significance. Hence, there is association between Occupations of the respondents and the category of Non-Indian products purchased online. From the cross tabs it is found that all occupation group purchase electronic items except respondents belongs to business category who purchase Home appliances and gift items more through online.

Chi-Square test for association between monthly incomes of the respondents and the category of Non-Indian products purchased online.

The above table shows that Chi-square test for association between monthly incomes of the respondents and the category of Non-Indian products purchased online. Since the p value is less than 0.05 i.e., (0.000), the null hypothesis (H0) is rejected at 5% level of significance. Hence, there is association between monthly incomes of the respondents and the category of Non-Indian products purchased online. From the cross tabs it is found that all income group category buy electronic item more except income group belongs to less than 10 K purchase decoration item more in online.

8. Findings

[1] 65% of respondents are male the majority group in this survey.
[2] 54% of respondents belongs to the age group to 26 to 45 in this group.
[3] Regarding the occupation 55% of respondents are employee category.
[4] 46% of respondents belongs to the monthly income of 30 to 50 thousand category.
[5] 54% of respondents buy products once through online per quarter in the year.
[6] 66% of respondents agreed that foreign brand name is important.
[7] 57% of respondents agreed that foreign brand attracts them.
[8] 57% of respondents agreed to the fact that foreign products available in varieties.
[9] 44% of respondents feels that foreign products are cheaper.
[10] 44% of respondents takes a neutral stand in service quality of foreign is good.
[11] 44% of respondents agreed that the foreign products quality is good.
[12] 42% of respondents are satisfied with the foreign products.
[13] 35% of respondents agreed that domestic brand name is important.
[14] 49% of respondents takes a neutral stand that domestic brand attracts them.
[15] 48% of respondents disagreed to the fact that domestic products available in varieties.
59% of respondents feels that domestic products are not cheaper.
31% of respondents takes a neutral stand in service quality of domestic is good.
30% of respondents takes a neutral stand that the domestic products quality is good.
47% of respondents takes a neutral stand in satisfaction with the domestic products.
None of the respondents answered correctly that American swan is the Indian company.
64% of respondents said that they buy non-Indian electronic goods most in online.
72% of respondents said Electronic gadgets have more dominance over Indian products in online.
37% of respondents feels the reason for Indian brands not getting popular is the bizarre mentality that Indian products bad and others as goods.
67% respondents said that the government fears for losing foreign investment and that is they banning foreign products.
47% feels that Indian government should increase tariff rate to dominate foreign products.
40% respondents bothered about the products they purchase is Indian made or not.
57% respondents are strongly concerned about the domestic economy.
37% respondents took a neutral stand on statement the government’s measure on boycotting foreign products will work.
42% respondents took a neutral stand that they refer the products that it is Indian or not before buying.
34% respondents took a neutral stand that the language and info of non-Indian products are easy to understand than Indian products.
40% respondents agreed to the fact that foreign products consumption leads to decrease in Indian products business.
47% respondents strongly agrees that foreign products purchase leads to non-development of small & medium Indian manufactures.
30% disagreed that the above facts are healthy for Indian economy.
83% said that online market place boost the sales of non-Indian products.

9. Suggestions

[1] Indian products should be cheaper than foreign products to compete and sustain in the online market.
[2] The quality of Indian products should be increased.
[3] Indian brand awareness should be increased.
[4] Production of Made in India goods should be increased.
Consumption of foreign goods should be limited.

The Indian government should ban foreign products without any fear of losing foreign investment, only then domestic manufacturers and domestic business will increase.

Government should decrease the dominance of foreign electronic products in India.

There should be domestic manufacturing in electronic gadgets.

Indian government should take necessary steps to change the bizarre mentality of the people that Indian goods – Bad Non-Indian goods – Good.

Government should take necessary action to promote Indian products in online market.

10. Conclusion

From the study the researcher found out that respondents are attracted towards foreign brands rather than the Indian products due to bizarre mentality of the people that whatever comes from foreign will be good and domestic goods are bad. And also further findings in the study says that they feel that government will not boycott any foreign brands due to fear of losing foreign investment according to the feedbacks from the respondents. Therefore the study reveals that there is no support from government side for the domestic manufacturers which is the main factor that contributes to the dominance of non-Indian products in Indian online market. Thus from the study the researcher gets the concrete evidence that there is dominance of non-Indian goods in Indian online market.

The study gives the statement that the majority of the respondents agrees that the factors like Electronic gadgets have more dominance over Indian products where almost every electronic items are foreign company based, foreign production consumption leading to decrease in Indian products sale in Indian online market, the online market place boost the sales of non-Indian products in Indian online market and the factor that they get foreign products cheaper and in large varieties and also they look for foreign brands wherever they purchase. Even though there are many demerits in Indian online market the study revealed also the good side of the respondents where majority of respondents are concerned about the domestic economy and many agreed the fact that the dominance situation in the market is not healthy for the nation according to study.

Many respondents feels, wasn’t enough important given to the Indian products because they are costlier when compared to foreign brands and also not available in varieties. The only way to increase domestic products sale is through creating awareness to online
purchasers and also the people. The respondents are also aware that this dominance of non-Indian goods in Indian own online market is not healthy to our economy.