

COMPARATIVE ANALYSIS OF ARAB AND INDIAN CONSUMER ATTITUDE
TOWARDS WESTERN BRANDS

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Chapter 1: INTRODUCTION

The chapter will embrace background of the study, aims and objectives of the study, research questions, hypothesis and significance of the study.

1.1: Background of the Study

Perhaps paradoxically, the political, social and economics stands of the western and American countries towards the Arabs and Indians plays an incongruous role in depicting the extent to which the Indians and Arabs assimilate western made products, ideas and lifestyles in their daily life (Elliott 2003). Currently, the Arabians observe the American and European Union products as one of the cultural assimilation tools that the westerners use to tame them into their culture. Others believe that the western countries target Islamic and other religious practices in the countries under discussion. Since the September 11th attacks and the culminating conquering of Iraq, the Arab states have ensured that advertising and marketing brands and products from western and American states are adequately filtered before accepted within the society (Dinnie 2004). It is an indication that Arab consumers have developed certain attitudes towards most of the American and European Union synthesized products. This can be substantiated by the fact that, on 3rd September 2005, a Danish newspaper published an article, "The Face of Muhammad" along with a dozen of cartoons hence depicting the Islamic prophet as unflattering. Muslims in Arabian states were incensed and, in January 2006, the Arabian clerics called for Danish goods boycotting. As a result, the company lost the market because most consumers and retailers pulled themselves out of the company's products; hence a revelation that they had developed certain negative attitudes towards the western products (De Mooij 2004).

Many researchers have conducted several studies about the Arab and Indian consumer's perceptions towards western brands. The Arabian states differ politically from Americans and western nations in their perceptions about terrorism and Iraq invasion (Gurhan-Canli & Maheswaran 2002). The studies aimed to reveal whether the political indifferences influence consumers' attitudes to the brands, and if so, what can be done to improve the situation. However, the aim of this study will be to analyze the Arab and Indian consumer attitudes towards the western products. The eventual outcome will seal the gap existing in marketing strategies, whereby the Indians are perceived to be close allies of the western states and hence great western products consumers. On the other hand, the Arabs are depicted to deviate from western countries products after Iraq and Afghanistan invasion.

1.2: Research Aims & Objectives

Consumption of the western brands and products, as well as attitudes developed towards them both in India and Arabian states, not only manifests acceptance of the aforementioned products but also reveals some extent of accepting the culture of those countries producing them. Most of the products consumed by a given society not only pertain to basic needs, but they also reflect the symbolic values towards the origin. Once the consumers reveal that the products have symbolic value, for instance, cultural assimilation, there are high chances of them not being accepted, in the first place. Moreover, they would not be advertised to Arab consumers through the western-style marketing communication messages. The aim of the study will be to analyze, through comparison, the Arab and Indian consumer attitudes towards western brand and products (Meng et al 2007). Marketers and policy makers of the western synthesized products and brands need to understand the Arab and Indian consumers' attitudes from different perspectives based

on cultural, political and economic vulnerability existing between the Europeans and Arabs; hence, the study will objectively unveil the future prosperity of the western brands in the East.

1.3: Research Questions

To better understand the comparative analysis of the Arab and Indian consumer attitudes towards products and brands made in western and American countries, such as UK and USA respectively, the researcher will specifically investigate the following questions.

- i. What is the relationship between Indian and Arab consumers' attitudes and the American and western products and brands?
- ii. What are the prevailing consumers' attitudes towards America and western countries products among Indians and Arabs?
- iii. Which American and western products or brands do consumers in India and Arab nations like most?
- iv. Do consumers' attitudes in Arab and Indian countries to the US and European Union products and brands reflect political stances between these countries?

1.4: Hypothesis

- a. There exists a relationship between Indian and Arabs consumers' attitudes toward western/America products and brands.
- b. There are prevailing consumers' attitudes towards America and western countries products among Indian and Arabian consumers.
- c. There must be America and western products and brands liked by Indians and Arabs Consumers.

- d. There exists a relationship between the Indian and Arab consumers' attitudes and American/ western countries and the products.

1.5: Significance of the Study

International based public opinion polls conducted since 9/11 and particularly by Pew Center for the People and the Press Global Attitudes Project have revealed a spontaneous rise in anti-American sentiments among the Arab and Indian nations (Pew Research Center for the People and the Press 2004). Given that Western nations have severally backed America in various wars against the Arab nations, such as Iraq and Afghanistan, their companies have lost a severe share of the Middle East market. The consumers are perceived to have attached the anti-Americanism to western products and hence refused to consume them. However, the Indians are close American allies given that America has severally backed India against Pakistan on several occasions. The study will significantly help the policy makers, marketers and American and western business executives in understanding whether the Arab and Indian consumers' attitudes have an impact on the former sales and products. Secondly, the research will help understanding whether the American and western states' political stances against Arab nations influence the consumer's attitudes to their products, as well as find respective levers in restoring the markets (Shankarmahesh 2004).

Chapter 2: LITERATURE REVIEW

2.1 Overview

2.1.1: Arabs Consumers' Attitudes towards Western Brands and Products

Different researchers, magazines and other marketing agencies aired different views about the Arab and Indian markets and especially consumers' attitudes toward western and

American based products. According to Zogby and his article " Saudis reject Bin Laden and terrorism" (2008), the post 11th September 2003 world followed by Afghanistan and Iraq insurgency affected the Arab market adversely. Most multinational companies have been affected tremendously after they found consumers developing negative attitudes against the western and American synthesized products. This observation was supported by the Economists magazine (2009), which revealed that consumer's negative attitude and perception against the western brands depict that the Arab world was dominated by the negative stereotypes related to the western culture. The assumptions were that a region was totally closed by mullah and militants leaders who hate foreigners and hence teach their young men and women not to consume western products (as this involves western culture as assimilation tool). To make the matter worse, the western countries have suffered tremendous losses further to the political turmoil brought about by the Arab spring revolutions which saw Egypt, Tunisia and Libya turn into new regimes. It is easy to conclude that the consumer's negative attitude has risen further after the 22 Arab nations convinced and accused the US and its western allies (such as UK and Germany) of igniting the revolutions especially in Libya.

However, Telhami (2009) noted in his book ("A View from the Arab World: A Survey in Five Arab Countries") that some consumers have positive attitudes towards the western products, mainly in Saudi Arab, Egypt and Kuwait. Hence the views under discussion are some of the figment notions and imaginations that multinational companies' executives are making about Arab consumers and western products. He revealed that, from 2006 to 2008, when he travelled across 5 Arab countries visiting different markets and US companies and eventually speaking to over 600 people (among them CEOs, entrepreneurs and consumers of US and Western States Brands, such as Nescafe and Textile products). The CEOs revealed that, although most of

consumers have developed anti-western and anti-American sentiments after Iraq and Afghanistan insurgence, the Arab market is not highly divorced from western market and; therefore, consumers continue to have a positive attitude and demand for US and Western products as other people across the globe despite the regional turmoil.

On the other hand, Keenan and Pokrywczynski (2011) revealed that consumer attitude against European Union synthesized products changed to negative dramatically. To substantiate their answer, they bring an example of Arla Foods Company, which is one of the Denmark's largest dairy products manufacturer and is a major player in the Arab market since 2005. The company lost its Arab market after Denmark's magazine, Jyllands-Posten, published an article criticizing Muhammad and terming Him as fake. The Arab clerics ordered all Denmark products not to be consumed and, within 24 hours, the dairy products were rotting in shops and malls. As a result, the company lost over \$274 million, which is an indication that Arab consumer attitudes can powerfully affect any product or brand in Arab markets.

2.1.2: Indian Consumer Attitude towards Western Products/Brands

Moreover, Riefler and Diamantopoulos (2007) conducted a survey to investigate the Indian consumer's attitude to the Western products and revealed that Indian consumers do not have negative attitudes towards American or western products or brands. In the survey, most of the participants (92 percent) said that they consume US products and hence there is no anti-Americanism among them. Around 36.5 percent further revealed that they are regular visitors to Europe and America and hence consume their products. They indicated further that they had relatives in UK, France and the US and hence they are dedicated American and European Union product consumers. Elliott (2003) applauded the above comment based on the fact that Indian

speaks English, and they have same political stances as America and Europe. Han (2008), conducted a study on the attitudes of Indian consumers towards foreign products, especially from western countries. The study revealed that most Indians preferred mainly western products from Britain, their colonial master in 1940s. Most of them hate German products (such as Mercedes cars) because of the animosity that emanated during the Nazi war. Initially, they rarely used American products due to lack of awareness. However, the presence of globalization leading to many US companies expand business operation has triggered increased positive attitudes to the American products. Currently, the powerful brands consumed by Indian consumers from west include Sony, Nike, and Coca-Cola. Moreover, Shimp and Sharma (2007) developed a measurement instrument known as CETSCALE and used it to test consumers' ethnocentrism in Europe. The study was conducted in India, and 65% of the respondents revealed that they like foreign products, especially from Great Britain and America. However, they had anti-German feelings because of violation of human rights in World War II. Therefore, the Indians have relatively positive attitudes to western products as compared to Arabs.

2.2: Summary of the Literature Review

The above mentioned empirical studies do not adequately cover the consumer attitudes of the Arabs and even the Indians towards products or brands from America or the western world. Moreover, no research was conducted yet that clearly compares the Indians and Arabs consumers' attitudes to the western-world brands; hence, the main objective of this study is to seal the research gap on the comparative basis. The study will address the statement problem based on the fact that Arab has negative attitudes to everything from western countries after Iraq and Afghanistan invasion. They believe that western products may indirectly hasten assimilation and inevitably have their Islamic culture eroded.

Chapter 3: METHODOLOGY

3.1: Data Collection Method

Pencil–paper surveys will be administered in English by the researcher in an open market setting in five selected countries, namely Saudi Arabia, Egypt, Syria, UAE, and India. However, to be consistent, save time and cost, the researcher will rely on Saudi Arabia to represent the other Arab nations in primary data collection. The survey will embrace 2 pages open and closed ended questionnaires that will be distributed among different consumer's respondents in the two countries. In the questionnaire, different questions touching on the American and western products hated and liked most will be asked. Moreover, some questions will be set to ask about their attitudes towards America and western states, especially after 9/11 events. However, the questions will measure the degree of attitude based on 4 point scale ranging from very favorable to very unfavorable. The open ended questions will help to capture information about the product liked or disliked most. Several demographic questions, including age, gender, native language, ethnicity, religious preference and country of citizenship also will be included.

Lastly, the study will also embrace secondary data collection from the other three Arab nations so as to substantiate the data collected from primary sources. The secondary data will embrace statistical figures on liked western products and the entire consumers' population. The data will be collected from World Bank archives, Catalogues, Atlases and other previous research documentaries.

3.2: Sample Selection

The study will embrace random sampling where questionnaires will be distributed to 100 consumers. The respondents must be aged from 18 and above years, and they must be residents

of Saudi Arabia or India. The information collected from the two states will be analyzed using SPSS (Statistical Package of Social Sciences) separately before further comparison. The researcher will comparatively draw the conclusion on the Arab and Indian consumers' attitudes from the data analyzed.

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