*Article*

# *Swadeshi* Versus Global Brands: Mapping the Efficacy of the Self-reliance Invocation

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**Nidhi Sharma[1], Raksha Thakur[1] and Saurabh Singh[1]**

## Abstract

A lot of things have changed since the deadly Coronavirus attack, the world has changed upside down. There are changes in systems and operations of business, reforms in economic and financial policies all over the world and so in India. After the local pitch in support of local business by honourable Prime Minister of India, 'go vocal for local', as a step towards *atmanirbhar* economy, on one hand there are consumers who are prepared to buy only domestic brands while on the other hand some are unwilling to give up global brands completely or selectively. At this instance, it will be interesting to study the willingness of consumers to adopt *swadeshi* and give up global brands for some chosen product and service categories like electronics, apparels, FMCG, restaurants and services apps. This study was primary in nature. EFA and regression analysis were employed for analysing the data. The results suggested that nationalism and anti-China sentiments have a significant impact on consumer inclination for swadeshi Brands. Hence Government, Entrepreneurs and Industrialist must take suitable actions to use these sentiments for increasing the acceptability of domestic brands and hence invocate Atmnirbhar Bharat (Self Reliant India).

## Keywords

COVID-19, self-reliant economy, local brands, global brands, India, consumer inclination, products, services, services apps

[1] Prestige Institute of Management and Research, Indore, Madhya Pradesh, India

**Corresponding author:**
Saurabh Singh, Prestige Institute of Management and Research, Indore, Madhya Pradesh 452010, India.
E-mail: saurabh.singh.21@gmail.com

## Introduction

Swadeshi brands, also known as home-grown brands/local brands or national brands are the brands that are originated from within the boundaries of a nation. According to Schuiling and Kapferer (2004), a brand is known as a local Brand if it is accessible only in a country or within a particular geographical location. Whereas a global brand is a brand with global identification, accessibility, acceptance and popularity. Because of the consistent and centralised marketing activities, global brands by and large enjoy the same name and image across different nations (Özsomer et al., 2012). There is always a combat between local and global brands. India is a big country with huge population that presents immense business opportunities not only to Indian but also foreign companies. Due to globalisation, Indians have access to variety of both swadeshi (local) and *videshi* (foreign) brands. Some consumers prefer local brands and some prefer global brands while others prefer local/global brands in selected product categories. Hence it is imperative to find that how and why consumers prefer local or global brands.

BCG, US headquartered consultancy firm conducted a survey on 3,000 Indian consumers and found that more than half of the consumers prefer swadeshi brands over global brands especially in FMCG sector. The survey findings came in 2019 when nationalism was a popular political theme and multiple appeals were made over different media platforms to buy local over global. There are a lot of examples of very successful and popular Swadeshi brands that have been patronised by many generations of Indian consumers. TATA, Mahindra, Hero, Amul, Boroline, Asian paints, Mahindra & Mahindra, Roohaafza, Parle G, Fevicol, Patanjali, and so on, are the brands that were/are highly supported by consumers not just because they were home grown, but they were/are simply awesome.

Pre-COVID-19, India was dependent on imports from other countries for various products like solar power equipment, wind turbines, cell phones, laptops, electronics, testing kits, drugs, ventilators and other hospital equipment. For an instance, 70% of the ingredients of Pharmaceutical industry were imported from China. India imported product and services worth $50 billion more than it exports only from China. Lack of required budget and innovations to develop the healthcare and education system over the years made Indian public health system awfully flimsy. But soon after the global pandemic hit India, quick reliable and cost effective inventions took place of much demanded products like COVID-19 test kits, ventilators and masks. Hence this crisis explored the prospects of capitalising on our swadeshi capability of producing innovative products. Hence Honourable Prime Minister Shri Narendra Modi pledged to make India a self-sufficient country and ignited the neo-Swadeshi movement in order to generate mass demand, develop better quality benchmarks, and build up scale.

While struggling through the tough times particularly during series of lockdown because of COVID-19, Our Prime Minister addressed and urged Indians to ‘be vocal for local’ in order to support and induce growth in the

drowning Indian economy. The purpose was to sustain local/Indian businesses and contribute towards Atmanirbhar Bharat. He also tweeted 'the way ahead lies in local. Local manufacturing, local markets, local supply chain. Local is not merely a need but a responsibility'. Different business executives are interpreting the PM's address differently. Executives of Global companies construed that the Indian government is endorsing make in India. Many global companies like Apple, IKEA have established production facilities in India and even procure lots of raw materials and components locally. The intention of the Prime Minister is to curb imports and not regulate multinational companies or foreign investment in India. Hence there will be diminutive impact on the sales of such brands.

Companies selling foreign brands in India mainly in categories like smartphones, electronics, apparel, FMCG are confident that Indian customers will continue to be loyal to them despite Mr Modi's appeal to buy local. Because these companies acquire majority of the Indian market share in respective product category and there is hardly much competition from the Indian/swadeshi brands; 90% of the total market of smartphone, refrigerators, washing machines, air conditioners and television industries are dominated by the global brands. Indian home grown brands lag much behind to the global brands owned by China, Japan and South Korea. Luxury segments are also conquered by the global brands.

On the other hand, executives from Swadeshi brands believe that post-COVID-19, consumers' sentiments in India will definitely amend in favour of home grown products that will make it difficult for global brands to penetrate. Indian consumers would like to build up Indian economy by buying and consuming more Indian brand over global ones. Anirban Sen from Godfrey Phillips India stated, 'A local brand, closer to the homeland is like to build greater trust and believability in consumers and as the nation comes out of COVID-19, there will new wave of "local-community-based" brands evolving stronger'. Globally there is a pessimistic emotion towards China and Chinese products. The pandemic has created global disruption that offers great opportunities to the home-grown entrepreneurs to fill the gap between local and global brands by providing world class home-grown innovations. Indian consumers will consciously seek sentiments like 'Be Indian, Purchase Indian' by buying Indian brands provided there are strong Swadeshi brands that offer the right quality products at right pricing and right time in each product/ service category.

Indian Companies are using patriotic advertising. Many swadeshi brands have started reigniting 'Swadeshi thinking' among the consumers by communicating campaigns like 'made in India', 'vocal for local' and 'Go local'. B. K. Rao from Parle Products commented, 'Many Indian marketers are going to ride the "being Indian" wave across mediums and give a strong reason to the consumer to buy their brands'. Shivani (2020) stated that effective supply chain management is critical to the success of home grown brands. These brands must strengthen their product segments looking into the consumer preference.

### *Significance of the Study*

Looking at the pace with which global business is growing, where countries are struggling for a competitive advantage and efficiencies of operations, self-reliance in economies is a must. Also the global political environment in the present time is pushing countries towards self-reliance. When Indian Prime Minister pitched local for vocal, the political terms between India and China were not healthy. At that time 2019 pandemic was also prevailing, and the Government in power tried to push the country to buy local brand of products as this would strengthen Indian economy.

## Literature Review

Researchers have always been very keen in exploring the rivalry between local and global brands. A lot of related research has already been done, but still there is a lot of scope in studying and working out what branding and marketing strategies work for local and global brands respectively and how they impact Indian consumer behaviour.

Batra et al. (2000) conducted a study in markets like Turkey, Vietnam, China and Nigeria and found that people in emerging markets preferred global brands to exhibit status and prestige. Likewise Kinra (2006) stated that Indian consumers favoured global brands to gain prestige and quality associations. Sharma (2011) and Guo (2013) showed consumers' global orientation that led to generation of preference for *videshi* brands over swadeshi brands. Whereas Bhardwaj et al. (2010) affirmed that Indian consumers chose different types of brands for different reasons and in different situations. In case of service industry like banking, Pinar et al. (2012) studied that in emerging markets such as Turkey; local banks are preferred by consumers over foreign banks.

While discussing about preference for Swadeshi brands, consumer ethnocentrism acts as one of the significant causes. As per Shimp and Sharma (1987), consumer ethnocentrism stands 'to represent the beliefs held by American consumers about the appropriateness, indeed morality, of purchasing foreign-made products'. The authors studied and found that ethnocentric consumers attempt to promote local economy by avoiding purchase of foreign products and promoting local brands. They think that buying imported products will increase unemployment, hurt the economy of the beloved country and hence always prefer domestic products due to the patriotic feelings (Bojei et al., 2010). Mostly, ethnocentric consumers are biased against global brands. But non-ethnocentric consumers evaluate global brands on the basis of merits.

Many factors have been identified that influence consumer buying behaviour towards foreign brands like age, income, education, exposure to international cultures, patriotism, conservatism, and so on. According to Balabanis et al. (2001), many researchers explored and proved that male consumers with higher literacy and higher earnings demonstrate low feeling of ethnocentrism. On the other hand, females, older people and less educated consumers show higher level of

traditionalism and patriotism. Tendency of Consumer ethnocentric can be understood to predict buying behaviour of consumers towards local and foreign brands across diverse countries and categories (Balabanis et al., 2001; Shimp & Sharma, 1987). Many studies suggested that consumer ethnocentrism is negatively correlated to imported products' purchase intention and positively associated to domestic products' purchase intention. (Nguyen et al., 2008; Supphellen & Gronhaug, 2003).

(O¨zsomer, 2012) Global brands indicate extensive recognition, accessibility, finer quality and signify aspiration for success, superiority, and status while local brands indicates admiration for the cultures, traditions, and pride in the uniqueness of the swadeshi economy. Consumers may be inclined towards global brands as they value the benefits like status, prestige, quality offered by the brand that is sold across the world or the brand is locally owned however sold across the world. On the other hand, consumers may appreciate local brands that have local origin irrespective of global distribution or support brands that are available locally irrespective of the origin of brand. Warat Winit et al. (2014) yielded nomenclature of four brand categories to understand consumer perception: 'local-owned global, local-owned non-global, foreign-owned global, and foreign-owned non-global'. Swadeshi brands are generally considered as trustworthy and close to cultural heritage, fostering intimate consumer-brand relationships. Local owned brand may use the global presence to signify its quality in the communication strategy (Dimofte et al., 2008; O¨zsomer, 2012).

According to (Kalwani & Yim, 1992; Kalyanaram & Little, 1994; Ofir, 2004), price of a brand must fall between price thresholds set by the consumers. Brands with very low prices are perceived as products with quality deficiencies while prices higher than the upper threshold represent poor value for money. Consumer choice can be influenced by setting price within the zone of price thresholds. Consumers usually weigh price quality relationship while preferring a brand (Erickson & Johansson, 1985). When there are two brands with similar quality perception but different prices, other factors being constant, buyers would prefer the economical one.

Global brands generally benefit from economies of scale stemming from competent production, innovation, logistics, effective packaging and efficient communications. Hence global brands can compete more effectively on price with perception of superior quality and prestige. They can also charge a price premium due to global scope (Schuiling & Kapferer, 2004). Conversely if a global brand is perceived to have same quality or better quality as of the local brand, then it opens the door for local brand to charge a price premium.

## Objectives

1. To explore factors affecting consumer inclination towards Swadeshi Brands.
2. To map the consumer inclination for Swadeshi brands towards self-reliant India.

## Hypothesis

***$H_1$*:** There is no significant impact of nationalism on consumer inclination towards Swadeshi Brands.

***$H_2$*:** There is no significant impact of anti-China sentiments on consumer inclination towards Swadeshi Brands.

***$H_3$*:** There is no significant impact of Ethnocentricism on consumer inclination towards Swadeshi Brands.

***$H_4$*:** There is no significant impact of Consumer attitude on consumer inclination towards Swadeshi Brands.

***$H_5$*:** There is no significant impact of Consumer affinity on consumer inclination towards Swadeshi Brands.

## Research Methodology

### *The Sample and Sampling*

The sample size consists of 120 absolute and usable responses. 9 responses were rejected since they were incomplete. The respondents were classified on the basis of demographic variables like age, gender, income and education. The frequency distribution of demographic profile is showcased in (Table 1). Convenience non probabilistic sampling was used as a technique to delineate the sample.

**Table 1.** Frequency Distribution of Demographic Profile.

| Demographic Variables | Category | % |
|---|---|---|
| Gender | Male | 48.8 |
| | Female | 51.2 |
| Age | 18–24 yrs | 47.2 |
| | 25–34 yrs | 21.8 |
| | 35–44 yrs | 18.4 |
| | 45 yrs & above | 12.6 |
| Marital status | Married | 45.7 |
| | Unmarried | 54.3 |
| Income | Less than 2.5 lakh | 9.4 |
| | More than 2.5 lakh and less than 5 lakh | 22.8 |
| | | 28.3 |
| | More than 5 lakh, less than 10 lakh | 23.6 |
| | | 15.7 |
| | More than 10 lakh, less than 20 lakh | |
| | 20 lakh & above | |

### *Tools of Data Collection*

Self-administered questionnaire was employed using 'CETSCALE' developed by Shimp and Sharma (1987). The scale act as an important instrument in understanding the tendency of consumers towards buying foreign or domestic brands to marketing managers (Khan & Rizvi, 2008; Netemeyer et al., 1991; Shimp & Sharma, 1987; Shimp, 2001). Questionnaire was constituted of two parts. Part A contained information regarding the demographics of respondents and Part B consist of 32 statements. 17 statements were taken from CETSCALE and remaining 15 statements has been designed after detailed study of secondary sources of information like journals, books, research papers, articles in newspapers, and so on. Five point Likert scale was used to gather the responses of respondents ranging from strongly agree to strongly disagree.

### *Tools of Data Analysis*

Cronbach's alpha, KMO, Bartlett's test of sphericity, Exploratory factor analysis and Regression Analysis were applied to achieve the results.

## Data Interpretation and Analysis

While asking respondents to give their preference for Swadeshi brands in different product/service categories, 56.7% of respondents preferred Swadeshi brands in FMCG sector, 48% in smart phones, 48.8% in electronics, 70.1% in restaurants, 50.4% in apparels, 44.9% in service apps, 63% in furniture, 52 in cosmetics, 58.3% in footwear & accessories and 50.4% in automobiles. This shows that Indian consumers are inclined towards swadeshi brands even in categories like smart phones and electronics where almost 90% of the market share is grabbed by *videshi* (foreign) brands.

## Result and Discussion

### *Reliability Test*

Cronbach's alpha was applied to check the reliability of the questionnaire. The value of Cronbach's alpha was found to be 0.900 (Table 1.1) which is excellent value that shows high internal consistency among the items of scale. Hence the reliability of the questionnaire was high.

**Table 1.1.** Reliability Statistics.

| Cronbach's Alpha | Cronbach's Alpha Based on Standardised Items | N of Items |
|---|---|---|
| .900 | .901 | 32 |

**Table 1.2.** KMO and Bartlett's Test.

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .791 |
|---|---|---|
| Bartlett's test of sphericity | Approx. Chi-square | 1,923.443 |
| | Df | 378 |
| | Sig. | .000 |

## *Exploratory Factor Analysis*

Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test of sphericity was used to verify the adequacy of data set for conducting exploratory factor analysis. As shown in (Table 1.2), value of KMO is 0.791 and value of Bartlett's test of sphericity was found significant as 0.000. Hence it was verified that the available dataset is appropriate to conduct the exploratory factor analysis. While conducting factor analysis, value of total variance explained (Table 1.3) was 71.983 which is a good representation of variance among eight factors identified. Eigen value of all eight factors was greater than one. High communalities (Table 1.4) showed that the extracted components represent the variables properly.

Finally (Table 1.5) represents the factors identified through exploratory factor analysis that was run using the Principal component Approach along with varimax rotation. Total of eight factors were identified. But four items were removed during the process of extracting factors that were facing dual loading. Those items were 'Indians should not buy foreign products, because this hurts Indian business and causes unemployment', 'Foreigners should not be allowed to put their products on our markets', 'getting products from other countries can lead to bad results' and 'I purchase global brands because it is a matter of prestige'. The final factors explored are discussed as follows.

### *Factor 1. Ethnocentrism*

The major factor explored in the study was ethnocentrism which affects consumer preference for domestic versus foreign brand. This factor involves items favouring *swadeshi* goods than foreign goods. Respondents believe that purchasing foreign products should not be encouraged as purchasing foreign-made products is un-Indian. Consumers believe that a real Indian should purchase swadeshi products. Moreover it can lead to awful results if we get products from other countries. Buy domestic brands is considered by many Indian consumers as a good culture keeping countries future in mind. Getting products from other countries may lead to a situation where a country may become import dependent which can be a risky situation for any country. Largely there exists an ethnocentric mindset that focuses on boycotting foreign brands as it may hurt growth of the Indian Economy.

### *Factor 2. Nationalism*

'Nationalism is often perceived as an aberrant belief system and practice that goes against the dominant globalist and cosmopolitan ethos of the contemporary world'

**Table 1.3.** Total Variance Explained.

| | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | | Rotation Sums of Squared Loadings | | |
|---|---|---|---|---|---|---|---|---|---|
| Component | Total | % of Variance | Cumulative% | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 8.267 | 29.525 | 29.525 | 8.267 | 29.525 | 29.525 | 3.663 | 13.083 | 13.083 |
| 2 | 3.378 | 12.064 | 41.589 | 3.378 | 12.064 | 41.589 | 3.541 | 12.647 | 25.729 |
| 3 | 2.103 | 7.510 | 49.099 | 2.103 | 7.510 | 49.099 | 2.420 | 8.642 | 34.372 |
| 4 | 1.813 | 6.476 | 55.575 | 1.813 | 6.476 | 55.575 | 2.375 | 8.483 | 42.854 |
| 5 | 1.333 | 4.760 | 60.335 | 1.333 | 4.760 | 60.335 | 2.190 | 7.823 | 50.677 |
| 6 | 1.142 | 4.079 | 64.414 | 1.142 | 4.079 | 64.414 | 2.091 | 7.468 | 58.145 |
| 7 | 1.095 | 3.910 | 68.325 | 1.095 | 3.910 | 68.325 | 1.973 | 7.045 | 65.190 |
| 8 | 1.024 | 3.658 | 71.983 | 1.024 | 3.658 | 71.983 | 1.902 | 6.793 | 71.983 |
| 9 | .915 | 3.266 | 75.249 | | | | | | |
| 10 | .824 | 2.944 | 78.193 | | | | | | |
| 11 | .685 | 2.447 | 80.640 | | | | | | |
| 12 | .667 | 2.383 | 83.023 | | | | | | |
| 13 | .582 | 2.079 | 85.102 | | | | | | |
| 14 | .544 | 1.943 | 87.046 | | | | | | |
| 15 | .468 | 1.670 | 88.716 | | | | | | |
| 16 | .456 | 1.629 | 90.345 | | | | | | |
| 17 | .407 | 1.454 | 91.799 | | | | | | |
| 18 | .379 | 1.352 | 93.152 | | | | | | |
| 19 | .308 | 1.101 | 94.253 | | | | | | |
| 20 | .279 | .997 | 95.250 | | | | | | |
| 21 | .249 | .888 | 96.139 | | | | | | |
| 22 | .234 | .837 | 96.975 | | | | | | |
| 23 | .200 | .714 | 97.689 | | | | | | |
| 24 | .166 | .594 | 98.283 | | | | | | |
| 25 | .147 | .525 | 98.808 | | | | | | |
| 26 | .136 | .485 | 99.292 | | | | | | |
| 27 | .109 | .388 | 99.680 | | | | | | |
| 28 | .090 | .320 | 100.000 | | | | | | |

**Note:** Extraction Method: Principal Component Analysis.

**Table 1.4.** Communalities.

| | Initial | Extraction |
|---|---|---|
| Prefer swadeshi | 1.000 | .518 |
| Must buy Indian | 1.000 | .724 |
| Import if unavailable | 1.000 | .740 |
| Keep India working | 1.000 | .634 |
| Indian product first | 1.000 | .675 |
| Buying foreign Indian | 1.000 | .665 |
| Buying global not right | 1.000 | .779 |
| Real Indian buys Indian | 1.000 | .839 |
| Do not make others richer | 1.000 | .725 |
| Purchase global if necessary | 1.000 | .683 |
| Unemployment | 1.000 | .732 |
| Curbs on imports | 1.000 | .717 |
| Tax global heavily | 1.000 | .781 |
| Buy foreign what not available | 1.000 | .644 |
| Fellow Indians out of work | 1.000 | .632 |
| Risky global products | 1.000 | .653 |
| Never buy Chinese brands | 1.000 | .698 |
| Buy global except Chinese | 1.000 | .759 |
| Indian with unknown outcome | 1.000 | .632 |
| Bad results | 1.000 | .708 |
| Next time swadeshi | 1.000 | .763 |
| Try swadeshi | 1.000 | .751 |
| Global due to innovation | 1.000 | .849 |
| Global due to design | 1.000 | .790 |
| Price is important | 1.000 | .669 |
| Quality | 1.000 | .800 |
| Accessibility | 1.000 | .805 |
| Never buy from China | 1.000 | .790 |

**Note:** Extraction Method: Principal Component Analysis.

(Malesevic, 2020). A nationalist by nature thinks and acts in favour of his country. As far as choice of brands is concerned, nationalism can play a big role by diverting it to domestic brand. Such consumers strongly pitch for local brands against foreign brands. Indian history has had a wave of nationalism at the onset of 19th century which resulted in a movement where masses boycotted foreign goods (Paul, 2015). Those who possess patriotism in their mind keep country above anything and everything and the matter of choosing a brand dwindles for

**Table 1.5.** Factor Names, Items and Load.

| | | Factor Load | Item Load | Eigen Value |
|---|---|---|---|---|
| Factor Names | Items | | | |
| Factor 1 | | | | |
| Ethnocentricism | It is not right to purchase foreign products | | .806 | |
| | Purchasing foreign-made products is un-Indian | | .741 | |
| | A real Indian should buy Indian-made products | | .674 | |
| | Getting products from other countries can lead to bad results | 4.001 | .636 | |
| | Getting products from other country is risky | | .618 | |
| | Indians should not buy foreign products, because this hurts Indian business and causes unemployment | | .526 | |
| Factor 2 | | | | |
| Nationalism | Buy Indian-made products. Keep India working | 3.355 | .744 | |
| | We should purchase products manufactured in India instead of letting other countries get rich off us | | .739 | |
| | Indian products, first, last, and foremost | | .677 | |
| | Indians must buy only made-in-India goods than importing | | .650 | |
| | Indian consumers who purchase products made in other countries are responsible for putting their fellow Indian out of work | | .545 | |
| Factor 3 | | | | |
| Anti-China Sentiments | I will purchase any global brand except Chinese | 3.028 | .689 | |
| | I will never buy a product imported from China | | .673 | |
| | I will not buy a Chinese brand though manufactured in India | | .573 | |
| | Buying products from India can have uncertain outcomes | | .560 | |
| | It may cost me in the long-run but I prefer to support Indian products | | .533 | |

*(Table 1.5 continued)*

*(Table 1.5 continued)*

| | | Factor Load | Item Load | Eigen Value |
|---|---|---|---|---|
| Factor Names | Items | | | |
| Factor 4 | | | | |
| Consumer affinity | I purchase global brands due to innovativeness | 1.774 | .905 | |
| | I purchase global brands due to their design and workmanship | | .869 | |
| Factor 5 | | | | |
| Uncompromising attitude | Product accessibility is more important to me rather than origin of brand | 2.254 | .877 | |
| | Quality is more important to me rather than the origin of the brand | | .776 | |
| | Price is more important to me rather than the origin of the brand | | .601 | |
| Factor 6 | | | | |
| Restrict imports | There should be very little trading or purchasing of goods from other countries unless out of necessity | 2.036 | .756 | |
| | Only those products that are unavailable in India should be imported | | .692 | |
| | We should buy from foreign countries only those products that we cannot obtain within our own country | | .588 | |
| Factor 7 | | | | |
| Government intervention | Foreign products should be taxed heavily to reduce their entry into the India | 1.496 | .757 | |
| | Curbs should be put on all imports | | .739 | |
| Factor 8 | | | | |
| Consumer Inclination | I will definitely try Swadeshi brands | 1.534 | .828 | |
| | I will purchase Swadeshi brands the next time I need them | | .706 | |

them. Such people have 'buy Indian-made products, keep India working' in their mind. They propagate that Indians must purchase domestically manufactured products and not let other nations get rich off us. They oppose importing and for them local products are first, last, and foremost. Consumers driven by nationalism believe 'the countrymen who buy products made in other countries are responsible for putting their fellow Indian out of work'. This factor currently is showing an upsurge in the country and affecting consumer inclination for domestic brands

especially after the *Swadeshi* and *Atmanirbhar* invocation by the current prime minister of India. Swadeshi refers to domestic goods and *Atmanirbhar* refers to a self-reliant economy.

*Factor 3. Anti-China Sentiments*

India's relation with China has been conflicting in history (Gundre, 2016) and is getting heated up again currently. At present there is a wave of anti-Chinese sentiments in the country after the 'vocal for local' pitch by the prime minister post-COVID-19 attack furthermore the sentiments are anti-Chinese. With the tensions burning up on border currently, these sentiments are flowing in a torrent. A large number of people are showing their anger by deleting all mobile apps originating in China. This factor mainly speaks about Indian consumers willing to buy any foreign brand except Chinese though manufactured in India. Whatever be the cost in the long run, however uncertain be the outcomes of boycotting imports but consumers would prefer to buy domestic products only especially against China.

*Factor 4. Consumer Affinity*

The factor 'consumer affinity' means that innovativeness, design and workmanship are majorly affecting consumers' choice for foreign brands. Those consumers who prefer foreign goods over domestic goods are those who look for innovative features in them. Such consumers are mostly driven by the attractive designs and level of workmanship. Indian manufacturers must note this and try to match up to customer expectation in this regard before offering their products in market.

*Factor 5. Uncompromising Attitudes*

Consumers preferences for domestic or foreign brands is also affected by 'uncompromising attitudes' where country of origin does not hold much importance, what matters is, product accessibility, product quality and the price of the product. Indian manufacturers should strive for best of efficiency in terms of price and quality to cater to such consumers. If such consumers find a good bargain in local market they would go with Indian brand.

*Factor 6. Restrict Imports*

This factor is about the circumstances in which consumers feel that one should buy foreign brand. It means that one must not import from other countries unless it is either necessary to import or the product is unavailable in the country. Respondents believe 'one should import from other countries only those products that we cannot obtain within our own country'. Such consumers usually buy domestic goods and import only when it is unavoidable.

*Factor 7. Government Intervention*

Consumer choice between domestic and foreign brand can be understood by this factor, 'government intervention' which is about restrictions on imports. Respondents want foreign products to be taxed heavily to reduce their entry into the India, also curbs should be put on all imports.

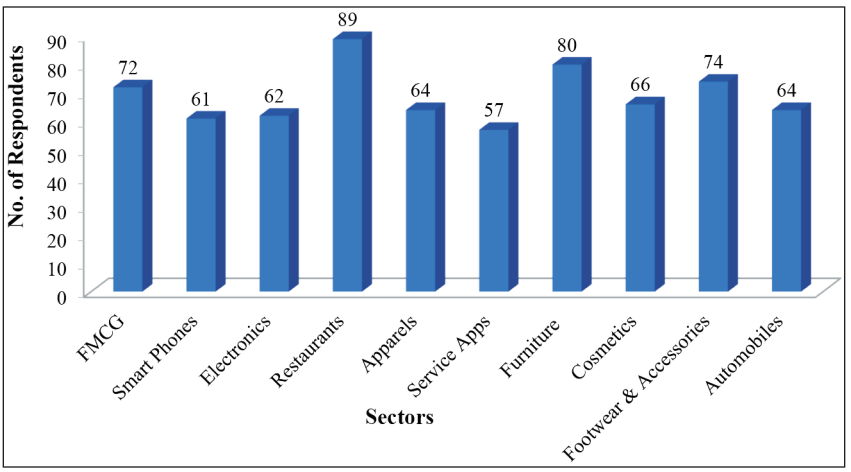


**Figure 1.** Sector-wise Preferences for Swadeshi Brands.

*Factor 8. Consumer Inclination*

Consumer inclination for swadeshi or domestic brands can be understood by the statements in this factor. Indian consumers have a strong inclination to try out local brands and have the urge to buy local goods in future. These are usually consumers who feel associated to local brands, have the sense of belongingness for their country brand. Consumers also take pride in owning a brand of their country, getting associated with a product that belongs to their own country. Such thoughts of them focus their choice on brands that are local or *Swadeshi*.

## *Regression Analysis*

Regression analysis allows the researcher to predict the impact of independent variables on dependent variable. Normality test was applied on the data. Figure 2 showed that the data was normally distributed as it was spread along the direction of diagonal line (Fuad et al., 2019). As per Table 2.1, the value of Durbin-Watson is 1.583 which is less than 2 which states that the regression model of the study was affirmed to have no autocorrelation problem.

A multiple regression was run to envisage the impact of five independent variables namely ethnocentrism, nationalism, attitude, anti-China sentiments and consumer affinity on consumer inclination (dependent variable). The F-ratio in the ANOVA table (Table 2.2) examined the regression model as a good fit. The table showed that statistically the independent variables significantly predict the dependent variable (consumer inclination). Model summary (Table 2.1) and ANOVA table depicted: F (5, 114) = 10.060, $p < .0005$, $R^{2 = 0.306}$ and the value of Durbin-Watson = 1.583. Hence it is proved that the regression model is a good fit of the data.

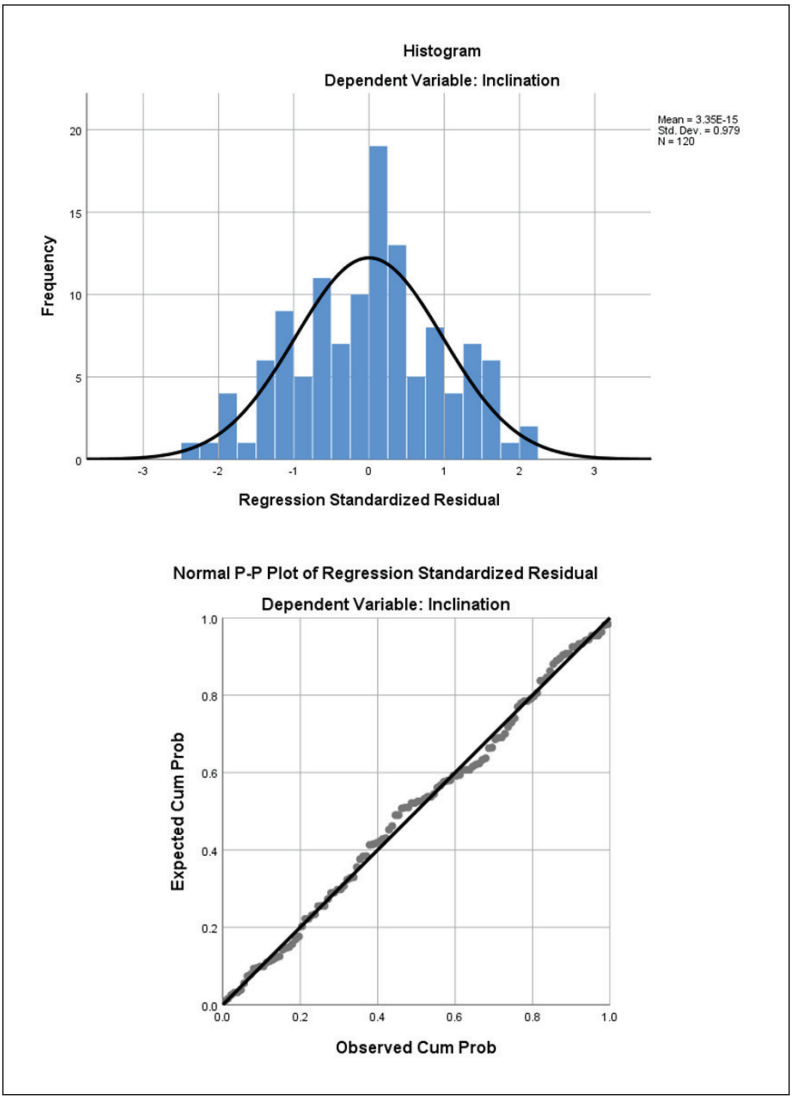


**Figure 2.** Result of Normality Test.

Coefficients table (Table 2.3) showed that Nationalism and Anti-China sentiments were the two predictors that were found significant. Consequently two hypotheses were rejected at 5% level of significance stating that there is a significant impact of Nationalism and Anti-China sentiments on the consumer inclination for swadeshi brands. However three independent variables (ethnocentrisms, consumer affinity and attitude) were not found significant. Hence three hypotheses were accepted stating that there is no significant impact

**Table 2.** Reliability Test Results (28 Items).

| Factors | Cronbach's Alpha |
|---|---|
| Ethnocentricism | 0.742 |
| Nationalism | 0.840 |
| Anti-China | 0.763 |
| Consumer affinity | 0.862 |
| Attitude | 0.679 |

**Table 2.1.** Model Summary[b].

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | .553[a] | .306 | .276 | .47710 | 1.583 |

**Note:** a. Predictors: (Constant), attitude, Anti-China, consumer affinity, ethnocentricism, Nationalism.

b. Dependent variable: Inclination.

**Table 2.2.** ANOVA[a].

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 11.450 | 5 | 2.290 | 10.060 | .000[b] |
| | Residual | 25.949 | 114 | .228 | | |
| | Total | 37.399 | 119 | | | |

**Notes:** a. Dependent Variable: Inclination.

b. Predictors: (Constant), attitude, Anti-China, consumer affinity, ethnocentricism, Nationalism.

**Table 2.3.** Coefficients[a].

| | | Unstandardised Coefficients | | Standardised Coefficients | | | 95.0% Confidence Interval for B | |
|---|---|---|---|---|---|---|---|---|
| Model | | B | Std. Error | Beta | t | Sig. | Lower Bound | Upper Bound |
| 1 | (Constant) | 2.286 | .360 | | 6.347 | .000 | 1.573 | 3.000 |
| | Ethnocentricism | –.051 | .081 | –.069 | –.625 | .533 | –.212 | .110 |
| | Nationalism | .294 | .092 | .368 | 3.192 | .002 | .112 | .477 |
| | Anti-China | .239 | .082 | .307 | 2.917 | .004 | .077 | .401 |
| | Consumer affinity | –.025 | .057 | –.040 | –.450 | .654 | –.138 | .087 |
| | Attitude | .007 | .061 | .009 | .111 | .912 | –.114 | .128 |

**Note:** a. Dependent Variable: Inclination.

of ethnocentrism, consumer affinity and uncompromising attitude on the consumer inclination towards swadeshi brands. The regression equation is as follows:

Y = 2.286 + 0.294 nationalism + 0.239 anti-China sentiments

For many years, India is struggling to overcome its growing deficits. The Indian Prime Minister is invocating the course of Swadeshi by encouraging nationalistic sentiments for endorsing domestic know-hows and commencement of 'Made in India' products and brands amalgamated with an urge to prefer 'Swadeshi'. Strong sense of economic patriotism or nationalism can actually influence the consumer inclination for Swadeshi brands towards building of self-reliant India. Nationalism inspires consumers to have a strong association with the local environment, cultural sensitivity and authenticity and take pride in consuming brands that support the local economy (Dimofte et al., 2008; O'zsomer, 2012; Schuiling & Kapferer, 2004).

Due to COVID-19 pandemic and border disputes, anti-China sentiments are becoming quite prevalent in Indian consumers. People want to boycott Chinese products and buy swadeshi products to support Indians and Indian economy. But as discussed earlier, Indian consumers do not have good swadeshi options in certain categories like Smart phones, other electronics, software, certain chemicals, and so on, due to which they end up buying *videshi* (foreign) brands. Suneja and Sikarwar (2020) reported that the government is working hard on substituting Indian dependence on imports from China, by focusing assertively on safety standards and quality produce to gain worldwide market share.

Hence businessmen and entrepreneurs in India must focus on serving customers with good quality rather than quantity, world class innovations, price standardisation through economies of scale in real time to encash positive consumer inclination towards swadeshi brands which will make India Atmnirbhar.

## Conclusion and Implication

Since COVID-19 intimidates to disrupt the Indian economy, there is a strong call to go local, buy swadeshi brands and make India self-reliant. Aatmnirbhar Bharat entails Swadeshi entrepreneurs to mobilise all its resources (physical, natural, and human, intellectual, technological and financial), take benefit of India's equity in diversity and stand confident in front of the world without any fear. To convert the sentiment 'buy local' into reality, all Indians must engender mass confidence, high demand and sky-scraping scale of local brands. 'It is not about being defensive and building protective walls, but embracing the world with pride and confidence' Ghose (2020). Foreign investment and international companies are welcome as long as they generate economic activity, create employment and build state-of-the-art industrial capacity. Indian entrepreneurs must experiment with interdependency and Indian old culture of supporting community businesses. Also Swadeshi brands must focus on consumer preference and strengthen the product portfolio accordingly. Packaging, promotion and maintaining a strong supply chain need to be shored up on an urgent basis.

## Future Scope of Research

The same study can be done on a bigger sample and wider geographical area to get better insights about different constructs that can influence consumer inclination in favour of Swadeshi brands. Specific product category can also be studied in detail that can actually help a particular local industry design strategies to enhance acceptance of Swadeshi products and services. Since India is a diverse country with many states and union territories. Conducting same study on consumers of different states can also bring some interesting results that may be very fruitful to government, local entrepreneurs as well as national entrepreneurs.

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