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## **International Brands in Emerging Markets: The Myths of Segmentation**

### **ABSTRACT**

**Purpose** – International Brands are expanding their business into Emerging Markets seeking new consumers for their products. Multiple research studies suggest that there are two key differentiators between Developed and Emerging Markets that managers must take into account. These are that consumers differentiate between local and international brands, and that consumer segments differ between Emerging and Developed Markets. This paper refutes these myths.

**Methodology / approach** – We examine large-scale data of purchase behaviour across seven countries and six product categories through telephone or online data collection. Surveys conducted in conjunction with research consulting projects form the basis of data collection, with samples skewing towards middle-income population from urban areas within the emerging markets. The different survey methods used support the empirical generalisability of our findings.

**Findings** – We find that brand user profiles in Emerging Markets rarely differ between Local and International Brands across age, income and gender. Differences in segmentation are related to geography – which is likely a factor of infrastructure differences. When brand users are compared, their attitudes towards the brands are also very similar between Local and International Brands across several attitudinal measures: *‘High Quality’*, *‘Value for Money’*, *‘Meet/Understand My Needs’*, *‘Affordability’* and *‘Trustworthiness’*.

**Originality** – Our research highlights that consumers in Emerging Markets need not be segmented based on their brand purchasing behaviour when it comes to local and international brands. This is in line with a growing body of literature in consumer segmentation and in contrast to a considerable amount of traditional literature on Emerging Markets.

## INTRODUCTION

Emerging markets are countries characterised by low levels of infrastructure and resources, and high levels of growth. They are countries that are typically transitioning to a market economy, such as Brazil, Russia, India, China, Mexico, Nigeria, and Turkey (Sheth, 2011). However, this broad definition of emerging markets may be slightly misleading, with transport services including roads, railways and airports in areas such as urban China being as advanced as those in developed markets. Additionally, countries such as Brazil and Russia maintain an abundance of natural resources that contribute to a notable proportion of their respective country's economic growth (Auty, 2001). As such, countries including Brazil, India, and China are considered emerging due to high levels of economic growth, high populations, steady increases in consumer spending, and only in some cases, poor infrastructure (Waheeduzzaman, 2011). Such markets are important avenues for growth for multinational brands, as they present a tremendous opportunity for brand expansion into markets where spending power is increasing (Enderwick, 2009; Burgess and Steenkamp, 2006; Waheeduzzaman, 2011).

Emerging market countries remain attractive for multinational brands as they were less affected in the global financial crisis and have recovered more strongly.

International Monetary Fund (2015) reports that in 2013, emerging markets continued to grow by 5.0%, compared to the stagnation or contraction experienced by major developed markets (1.4%) and although the growth in emerging markets was lower in 2014 (4.6%), this was in contrast to the U.S. (2.4%), Japan (-0.1%) and the Euro area (0.8%). There are a considerable number of manufacturers making moves into emerging markets in recent times, including companies like Unilever that turns into

online sales platform to expand its presence in China (*Forbes*, 2015), and Ikea's continued expansion into countries like India, China, and Brazil (Kowitt, 2015). The push into emerging markets has led brand managers to seek further understanding of consumer shopper behaviour in these often unfamiliar markets. Academic and industry researchers have thus focused a considerable amount of effort into understanding consumer behaviour in these types of markets (e.g. Essoussi and Merunka, 2007; Dawar and Chattopadhyay, 2002; Meyer and Thu Tran, 2006).

Faced with consumers with different cultures, traditions and norms to those of their traditional markets, marketers and researchers question whether their current wisdom is appropriate in these new domains. Not wanting to waste opportunities, many have focused on learning how to meaningfully segment these new markets. This is done to facilitate the development of appropriate brand strategies for what may now be perceived as a 'foreign' brand. Two key research findings in this area have emerged as particularly important for brand managers. Firstly, consumers within emerging markets differentiate between local and international brands, and exhibit different shopper behaviour as a consequence. Secondly, the consumer segments in emerging markets are generally different to those in developed markets, with different shopper profiles being associated with specific brand preferences.

Numerous studies have shown that consumer groups differentiate between local and international brands, either favouring local over international brands or vice versa (e.g. Batra *et al.*, 2000; Dickson *et al.*, 2004; Kaynak *et al.*, 2000; Sharma, 2010).

However, before a definitive conclusion can be formed whether the consumer groups consciously favour one or the other, it should be considered that this may be a structural issue where consumers do not have access to competing international

brands. It is generally asserted that the lack of infrastructure has hindered international brands' ability to penetrate emerging markets. However, retail infrastructure is rapidly beginning to match that of developed facilities in some areas (for example in urban China), it is becoming much easier for international brands to penetrate these markets (Uncles, 2010). This limited penetration has led them to have lower levels of brand familiarity compared to local brands (Sheth, 2011; Burgess and Steenkamp, 2013). Traditional competition in emerging markets has also been between local brands and unbranded products, not with international brands. Compounding this effect, the lower purchasing power of consumers in emerging markets has made them less susceptible to branding messages, as they focus more on satisfying lower order needs (Burgess and Steenkamp, 2006). For these reasons, there is a belief that consumers in emerging markets differentiate between the strongly competitive local brands and international brands (Zhang and Feng, 2011).

The second finding in the literature is not as well established but still a widely held truism that forms the basis of considerable research in this area – that beyond differences in language and cultural norms, consumer behaviours in emerging markets are different to those in established markets, and that such differences demand tailored segmentation strategies. As an example, consumers in emerging markets have different demographic and psychographic profiles from their developed market counterparts, which leads to the need to segment these groups using different variables (Cui and Liu, 2001; Dou *et al.*, 2006). While it is dangerous to be too sweeping in such statements, emerging markets are in general characterised by different religious and cultural traditions, younger populations, larger families and lower levels of income (Kvint, 2009). Similarly, they tend to emphasise lower order need satisfaction. This would be expected to result in differences in the profiles of the

typical shoppers for various brands based on the differences in demographics and psychographics.

The consequence of these two findings in the literature is that brand managers are encouraged to adapt their brand strategies when entering an emerging market. It is typically argued, “companies need to rethink strategies as past experience in home countries may not apply to emerging markets” (Zhang *et al.*, 2011).

In this paper we challenge the notion of the need to adapt to these conditions in emerging markets, and in particular we challenge these two findings in the literature.

Using data from large-scale surveys of consumer shopper behaviour in seven emerging markets we show that there is negligible differentiation in the types of customers purchasing local versus international brands. That is, there are no particular consumer groups in emerging markets that skew towards purchasing local brands as compared to international brands. This is in line with emerging findings that there is a lack of differentiation among user profiles across different brands (Hammond *et al.*, 1996; Kennedy and Ehrenberg, 2001). Despite the belief that there are differing user profiles among brand buyers, user profiles are very similar across competing brands. In emerging markets – at a competitive brand level – shopper behaviour does not reflect consistent segments that may be useful to a marketer, which is similar to observations made for developed markets (Uncles *et al.*, 2012).

We provide evidence that consumers in emerging markets attach similar attitudes towards the brands that they use – whether local or international brands. The result supports the findings by Kennedy and Ehrenberg (2001) in a developed market that consumers have largely similar perceptions and attitudes across competing brands.

## LITERATURE

The concepts of consumer segmentation based on demographic and psychographic profiles continue to be popular among practitioners and researchers alike (e.g. Lesser and Hughes, 1986; Assael, 2005; Patterson, 2007; Hess and Doe, 2013). However, research examining shopper behaviour reveals that user profiles rarely differ among competing brands and that brands typically compete head-on in the markets (Hammond *et al.*, 1996; Kennedy and Ehrenberg, 2001). A consequence of this is that despite the popularity of market segmentation and the belief that competing brands appeal to different buyer segments, buyer profiles are by and large very similar. Thus, Coca Cola consumers exhibit very similar characteristics to those who purchase Pepsi – and relatedly, the portion of Coca Cola consumers who think that the brand possesses a particular attribute will be similar to the portion within Pepsi consumers. Whilst the finding that user profiles rarely differ has been replicated across different data sets in developed markets – with wide and growing acceptance (Uncles *et al.*, 2012) – the view that consumers may behave differently in emerging markets persists in the literature (Batra, 1999; Cui and Liu, 2001). Underlying the assertion that emerging markets may be different from more developed markets are two key beliefs. They are that *consumers differentiate between local and international brands*, and that *consumer segments/brand user profiles differ to those in developed markets*. The two views are interrelated but each has unique bases in the literature.

### *Consumers Differentiate Between Local and International Brands*

A large body of literature on the emerging market focuses on the country of origin



effects where consumers have different perceptions and attitudes towards local and international brands. One stream of studies reveals that brands originating from an advanced economy are more preferable than local brands because of their quality, reputation and social status such as a global orientation associated with purchase (e.g. Batra *et al.*, 2000; Dickson *et al.*, 2004; Kaynak *et al.*, 2000; Sharma, 2010; Guo, 2013). Another stream of studies finds that consumer ethnocentrism might affect consumer choices. Ethnocentric consumers believe that purchasing imported products is not acceptable because it is detrimental to the domestic economy (e.g. Hsu and Nien, 2008; Walters and Samiee, 2003; Witkowski and Beach, 1998).

Research also addresses the competition between local and international brands from the brand owners' perspective. For example, Gao *et al* (2006) outline factors that drive market share performance between local and foreign brands in China. The authors conducted a qualitative study by interviewing marketing managers of 408 brands in 52 product categories in the Chinese market. Findings reveal that the high market share for foreign brands is driven by product quality and the timing of entry. For local brands, market share is driven by their local advantages of supported local policies and distribution networks. This is evident in the mere availability of local products over foreign alternatives in smaller towns. For example, Chinese consumers in Shanghai display lower levels of loyalty towards local, traditional products than do Chinese consumers living in Xi'an, a city with less retail development (Uncles *et al*, 2010). Loyalty differences are not necessarily a reflection of consumers consciously differentiating between local and international brands, rather these represent the limited availability of international brands in less developed areas – as a form of geographic segmentation.

To further add to the complication, there is also internal variability within the markets considered to be emerging. It may be misleading to assume that all regions within a single emerging country/market have the same level of economic wealth or retail development. Uncles and Kwok (2012) explore some of these differences in the Chinese market, where a number of larger coastal cities boast highly efficient rail, road, and air transport infrastructure compared to smaller inland cities and towns with much more basic transport services and lower levels of retail development. These structural differences also contribute to the small differences in consumer product loyalty across different regions. In the Chinese context, this is shown through inland Chinese consumers exhibiting slightly higher levels of loyalty toward traditional Chinese products/brands (over western products) than their larger coastal city counterparts (Uncles and Kwok 2012). In an earlier study, Kwok *et al* (2006) also examine the effect of country of origin on actual Chinese consumption behaviour and find that despite the stated preference to buy local Chinese grocery brands, Chinese consumers may, in fact, display different actual buying behaviour. This may be a consequence of the growing availability of international brands (thus expanding consumer choice) and the improving local retail infrastructure.

The contrasting situations thus provide academic and practical interest to examine whether brand buyers attach similar attitudes to the brands that they buy, regardless of their country of origin. Related to this is the research by Kennedy and Ehrenberg (2001) who find that brands typically compete head-on in an unsegmented mass market and that brand buyers have typically similar perceptions and attitudes across competing brands.

### *Consumer Segments Differ Between Emerging and Developed Markets*

When buyer profiles are compared across competing brands in established markets, they are found to be rather homogenous in nature (Hammond *et al.*, 1996; Kennedy and Ehrenberg, 2001). However, there is argument that heterogeneity is present in emerging markets, not due to varying needs and wants of consumers, rather due to minimal resources as a result of low income and net worth (Sheth, 2011; Strizhakova *et al.*, 2012). Homogeneity is not completely disregarded in emerging markets literature, as selected consumer groups in a number of emerging markets can also be considered to be similar (Schlager and Maas, 2013; Strizhakova *et al.*, 2012). Accordingly, multinational firms posit that in order to be successful in these markets, they must have a clear understanding of the brand preferences of emerging market consumers, especially in how they differ from developed market consumers (Schlager and Maas, 2013).

Perceived differences in consumer segments may also stem from structural disparities between developed and emerging markets, as covered by the literature. That is, operations that are not normally issues in developed markets, may determine the success or failure of companies in emerging markets. For example, distribution is more difficult and should not be viewed as a consumer issue (Schlager and Maas, 2013). In turn, this may affect differences in access to products and services between rural and urban households (Sheth, 2011; Uncles *et al.*, 2010). This is not necessarily due to consumer behaviour but to a lack of distribution infrastructure. Such differences in the structure of these markets make it logical to assume that companies must reassess developed market practices to suit the dynamic nature of emerging markets (Sheth, 2011).

Other reasons such as the ‘developing’ nature of emerging market countries and some obvious differences in demographics and lifestyle also contribute in perpetuating these perceived differences. For example, luxury products in emerging markets may be considered as staple purchases in developed markets. Moreover, age and family composition is thought to be different from developed markets with 25-45% of the population below 15 years of age and that the majority of the population are in the earliest stages of the family life cycle (Burgess and Steenkamp, 2006). These population differences have led cultural researchers to posit that consumer behaviour differs between emerging and developed markets. Recent literature in the area counters this assertion by providing evidence of the behavioural similarities between middle-income urban Chinese consumers and those in the developed markets in regards to actual grocery shopping purchases (Uncles and Kwok, 2008; Uncles *et al*, 2010). As such, we argue that it should not be assumed that such differences in these areas transfer to differences in shopper behaviour.

Faced with the two major previous research findings, it is then important for researchers and industry alike to see whether such differences between emerging and developed markets do occur. As previously stated, user profiles in developed markets seldom differ; this is in complete disagreement with literature stating that consumers differentiate between local and international brands in emerging markets. There is a clear need to determine whether any consumer segments or profiles emerge as having preferences dominated by local or international brands. Similarly, further evidence is needed to conclude whether consumers have similar or different perceptions towards the brands that they purchase. This paper aims to address these issues by using a large

scale survey method applied in previous research studies (e.g. Hammond *et al.*, 1996; Kennedy and Ehrenberg, 2001; Uncles *et al.*, 2012).

## RESEARCH METHOD

The data for this project was collected as a component of several commercial research projects undertaken in conjunction with various international brands to measure brand usage and perception. Respondents were contacted through panel providers and asked to report their product purchases, and the brands of those products. Additional demographic information relevant to each commercial project was also collected. The surveys were undertaken either online or via telephone to ensure that less accessible consumer groups were included in the research. Accordingly, the sample mix is biased towards middle-income respondents in urban populations with access to telephone and/or Internet access.

### *Sample Specification*

The emerging markets in which the data was collected are Brazil, Russia, India, China, Turkey, Thailand, and Mexico. The products surveyed vary across the markets in line with the strategic interests of the commercial partners funding the research – as such there are some differences in the information captured in each study, e.g. the brand attributes or the demographic information that was collected. Seven different product categories are analysed, totalling to 12 market surveys. Table 1 summarises the markets and categories.

(Insert Table 1 about here)

In line with the Multiple Sets of Data (MSoD) approach, this study has the advantage of examining the patterns that happen across different data sets; which helps establish the presence of empirical generalisations (Ehrenberg, 1990). The data sets have minor differences in data collection approach, and in the precise questions asked regarding brand usage and segmentation variables. Brand buyers are asked about the brands that they regularly used in the last twelve months. Brand usage information is then matched with the demographic data for each of the brand buyers, as well as the attitudinal data for each brand. Across the studies, brands were displayed to the consumers in a randomised order without explicitly stating whether they were local or international brands to avoid any differences in the concept as understood by the buyers.

As each survey has a sufficiently large sample size to be independently analysed, these differences present as an overall benefit to the research. The differences in measurement show a strong test for the persistence of the findings under different measurement conditions (Barwise, 1995).

### *Analysis Approach*

Returning to the objectives of this research, we are investigating whether there are consumer groups in emerging markets that skew towards purchasing local brands as compared to international brands, and whether consumers of local brands attach different attitudes towards the brands, compared to buyers of international brands. We adopt the analysis strategy first implemented by Hammond *et al* (1996) and further applied by Kennedy and Ehrenberg (2001) and Uncles *et al* (2012). These earlier studies make use of panel data that was collected at the point of purchase or very soon after, compared to the post-purchase recall data in the present study.

We take the brand usage reported in the surveys and divide that usage among key demographic groups. This division is used to determine if the proportion of sales attributed to any one segment is the same across all brands. Similarly, we also compare the score to the attitudinal statement (as rated using 5-point agreement levels) across the brands at the total category level, as well as within local vs. international brands. Brand classification is done at the analysis stage, so that brand buyers do not have to classify the brand whether they are local or international. To summarise the findings, rather than reporting the proportions for all the brands for all possible demographic splits, it is custom to report the average deviation for each demographic variable in each category (Hammond *et al.*, 1996; Kennedy and Ehrenberg, 2001). This deviation acts as a measure of heterogeneity, showing us whether or not there are differences in the types of consumers buying a brand, that is, whether specific consumer groups skew towards shopping for a specific brand. The brands included in the study are those that were used by the respondents in the 12 months leading up to the survey, and have a penetration of greater than 10%. The datasets undergo the following steps of transformation:

- Step 1. Based on available demographic variables of age, gender, income and region, users are divided into separate groups as percentages of the brand users. Each dataset may have differing levels of regional differences or income splits, for example there are only two regional codings in the data from Brazil: *Northeast (Recife)* and *Southeast (Sao Paulo)* and six regions in the Turkish Dental+Bodycare dataset: *Istanbul, Ankara, Izmir, Kayseri, Samsun and Adana*. To illustrate, table 2 shows the age distribution across all brand users for Chinese hair care products in 2010.

(Insert Table 2 about here)

Users are also divided into separate groups according to the level of agreement to the attributes measured for the study (*“High quality”*, *“Good value for money”*, *“Understand/meet my needs”*, *“Affordable”*, and *“Trustworthy”*)

Step 2. The average percentage of consumers in each demographic sub-group is then subtracted from the result for each specific brand. This generates a value called the Mean Absolute Deviation (MAD). Each MAD shows the average size of the differences between each of the brand profiles and the category profiles. Similar calculations are also conducted to calculate the MADs for the attitudinal statements. MAD continues to be used as a basis of analysis to compare the characteristics of various groups of samples whether they diverge from the overall norm, and it is the basis of numerous studies to compare consumer profiles across different conditions (e.g. Hammond *et al.*, 1996; Kennedy and Ehrenberg, 2001; Uncles *et al.*, 2012). Table 3 shows the MADs calculated for the China hair care across the demographic variables.

(Insert Table 3 about here)

Step 3. The average MAD value is then also calculated for the local and international brands separately to examine whether there are uniquely behaving consumer segments for either type of brand. The classification of



whether the brands are local or international is based on whether the brand is produced by a foreign manufacturer. These averages are reported in the research results.

Consistent with the previous studies, a MAD value below 5 is taken to indicate that there are no meaningful segments based on the demographic variable in question (Hammond *et al.*, 1996; Kennedy and Ehrenberg, 2001; Uncles *et al.*, 2012). Values below this threshold are not meaningful as they simply reflect random variation that is impractical for any managerial action (Uncles *et al.*, 2012). Using MAD values we can determine whether consumer segments exist that specifically purchase either local or international brands, and whether market segments or profiles fail to emerge at all based on these key segmenting variables, as is found in the developed markets literature.

## **ANALYSIS AND RESULTS**

The average MAD values for each market and product category are shown in Table 4.

This table includes the results for both the local (L) and international (I) brands separately and also the combined average MAD values for all (All) brands.

(Insert Table 4 about here)

Results regarding the local and international brands largely suggest that there are no specific consumer groups or profiles that shop for just local or international brands.

All the MAD values for all markets for the segmenting variables of gender, age and income are less than five, indicating there is largely no differentiation in shopping behaviour for brands. This presents as a strong contrast to the emerging markets

literature that highlights how consumers in emerging markets differentiate between local and international brands (e.g. Batra *et al.*, 2000; Sharma, 2010). While consumers may perceive differences, as highlighted by the literature, this does not translate into differences in shopping behaviour as seen in our results.

The clear exception to this result for local and international brands is region. Across several markets, including Brazil, Mexico, India and Thailand, multiple product categories show MAD values greater than five. These values are highlighted in grey. This result suggests that the region in which a consumer is based within those countries is, in part, a determinant of whether consumers shop for more local versus international brands. This appears to be the only feature of consumers that drives their differentiation between local and international brands in this data. As discussed earlier, this segmentation is unlikely to represent characteristics of the consumers, as would often be interpreted in the analysis of more developed markets. In emerging markets, regional differences in shopping behaviour based on brands are more likely to reflect differences in distribution systems (Schlager and Maas, 2013; Uncles and Kwok 2012). This is also a similar finding in developed markets where brands are localised in specific geographical areas (Kennedy and Ehrenberg, 2001) and to the regional differences as reported by Uncles and Kwok (2012) in the Chinese market. Some areas within a developing country may be less accessible to international brands due to weak national infrastructure. Because this result is likely driven by differences by distribution, the overall findings still suggest that no specific consumer groups (based on the available variables) in emerging markets exhibit differences in shopping behaviour for local versus international brands.

The average MAD values for 'All' brands can be used to examine whether market segments or profiles fail to emerge at all, answering whether consumer segments in

emerging markets are different to those in established markets. The segments based on income and gender show no evidence of differences in shopping behaviour for any markets, with their average MAD values all below five. Gender has a single MAD value exceeding five in the Indian dental market in 2012. This case is more likely a spurious result as it is not consistent with the 2010 finding or with any other market. Region based segmentation again arises as a strong basis for differences in shopping behaviour, but this can again be attributed to distribution differences in emerging markets. This result leads us to conclude that there is substantial evidence that consumers in emerging markets do not substantially differ from consumers in developed markets, except where distribution may restrict their shopping behaviours.

(Insert Table 5 about here)

Comparing the perceptions for local against international brands, we can also see that across the countries, consumers typically attach similar attitudinal attributes towards the brands that they purchase (MAD less than five). Consumers who purchase local brands generally perceive the brands are of high quality, with good value for money and meet their needs. There are some attitudinal differences that are beyond the threshold, especially in China and Turkey, where variations within the local and/or international brands also drive the differences for the whole product category. It needs to be acknowledged that MADs for Turkey are consistently high, which may be caused by the different framing of the attributes for Hair Care in Turkey, as brand buyers were asked to compare the brand against the competitors rather than ranking the attribute in isolation, e.g. *“Better quality than other brands”*, *“Better value for*

*money than other brands*". Accordingly, brand buyers were more likely to assert differences across competing brands.

## **DISCUSSION AND CONCLUSION**

Emerging markets are important for international brands wishing to capture a bigger share of the global market. With more emerging markets relaxing their trade restrictions, research into consumer behaviour in these markets is important for international brands wanting to move into such markets. The traditional approach is for businesses to reconsider the practices they established in developed markets, as they may not be appropriate or effective in emerging markets (e.g. Sheth, 2011; Burgess and Steenkamp, 2006; Schlager and Maas, 2013; Zhang *et al.*, 2011). Although there is some acceptance of the lack of market segmentation in developed markets, many researchers still revert back to the conventional approach of market segmentation in looking at strategies in emerging markets.

The results reported in our paper demonstrate a need for a closer look into how consumers in emerging markets view local versus international brands. With the lack of specific consumer segments being attracted to domestic brands over international brands and vice versa, it would suggest that any attitudinal heterogeneity found in existing literature is not translating into differences in shopping behaviour. The lack of specific segmentation also provides further support to the findings that brands compete directly in unsegmented mass markets (Kennedy and Ehrenberg, 2001; Uncles *et al.*, 2012) and that in order to grow in emerging markets, much like in developed markets, brands need to ensure that they are considered by more buyers in each purchase situation through consistent advertising, and that they are also widely

physically available (Sharp, 2010) through any available infrastructures. Therefore, although there are structural differences in emerging markets (such as different distribution networks), consumers in emerging markets may not be as different as many researchers have led us to believe.

Similar to the developed markets, our study does not refute the necessity of segmentation when it comes to the product category. Kennedy and Ehrenberg (2001) also acknowledge the existence of product category segmentation, for example pet care manufacturers targeting cat owners for their cat food brands. Furthermore, targeting may also be necessary to adapt to the local constraints– for example, an international manufacturer of electrical goods may only target areas with established infrastructure and access to the power grid. Our study simply emphasises that when buyers have ready access to competing brands – in this case local and international brands – their profiles are more likely to be very similar. Further research examining additional segmenting variables and even possible combinations of those variables would strengthen this conclusion.

Our research highlights the overall similarity of brand buyers' attitudes towards the brands that they regularly use. Similar to buyers of international brands, buyers of local brands also, by and large, consider their brands to be of high quality, good value for money, and can meet their needs.

Our research has shown that distribution has, and likely remains, a problem for all brands in emerging markets. Future research can examine the effect of alternative distribution networks towards the acceptance and growth of international brands. More research is also needed to explore how emerging market consumers may

incorporate both local and international brands into their repertoire of brands (Johansson and Leigh, 2011; Hooper, 2000). As we have demonstrated in this study, there is generally little difference in consumer attitudes towards local and international brands. Any differences in perceptions also provide opportunities for further replications and research, as to the specific factors that may form such differences outside the structural factors discussed earlier.

In summary, emerging markets continue to provide great opportunities for researchers to contrast findings in developed markets and test their generalisability. Likewise practitioners can continue to find new and interesting ways to reach their buyers (and potential consumers) in the often-unfamiliar markets using any available infrastructures. For user profile research, even with the differences in market structure and overall consumer demographic mix, we have demonstrated that brand user profiles are also very similar across international brands and local brands in emerging markets, which gives us new insight into this interesting research context.

**Table 1: Research Sample**

<b>Market</b>	<b>Pr. Category</b>	<b>Year</b>	<b>Sample Size</b>
Brazil	Mouthwash	2010	558
	Toothbrush	2010	967
	Toothpaste	2010	1369
Russia	Toothpaste	2009	11569
India	Whiskey	2011	406
	Toothpaste	2012	975
	Toothbrush	2012	955
	Dental Care	2010	1930
	Dental Care	2012	7363
China	Hair Care	2010	2386
	Toothpaste	2009	5185
	Toothpaste	2011	4765
	Toothpaste	2012	15526
Mexico	Dental + Body Care	2010	1628
Thailand	Dental + Body Care	2010	2849
Turkey	Hair Care	2008	6056
	Dental + Body Care	2010	2106

**Table 2: User profiles for hair care products in China 2010 by age group**

	Penetration (%)	Age Distribution for each Brand (%)						
		15-20yrs	21-25yrs	26-30yrs	31-35yrs	36-40yrs	41-45yrs	46-50yrs
Rejoice	66	18.0	13.0	12.0	14.9	16.1	13.6	5.8
Pantene	53	17.2	15.8	13.3	14.2	14.5	13.0	5.6
H&S	52	15.4	11.8	14.3	15.3	16.3	14.5	5.9
Rejoice Daily	31	19.6	13.9	13.6	15.8	13.6	12.2	5.3
Lux	31	16.6	15.0	13.2	15.8	15.5	12.9	5.3
Slek	25	13.0	12.5	9.8	17.5	17.3	16.3	6.4
Clairol	24	19.4	17.3	15.0	14.4	13.0	10.9	4.8
Bang Wang	24	15.0	12.1	12.5	18.3	17.4	13.6	5.3
Rejoice Essence	23	15.5	13.2	12.5	17.0	14.6	13.9	6.3
Hazeline	23	15.0	12.1	10.1	13.9	17.0	16.8	7.0
Sassoon	23	17.3	14.6	12.2	16.6	15.5	12.0	5.6
Clear	11	16.7	14.1	17.8	17.8	13.4	11.5	4.1
Average %		16.6	13.8	13.0	16.0	15.4	13.4	5.6



**Table 3: MAD values for hair care products in China 2010 by age group**

	MAD Values for each Brand						
	15-20yrs	21-25yrs	26-30yrs	31-35yrs	36-40yrs	41-45yrs	46-50yrs
Rejoice	1.5	-0.8	-1.0	-1.1	0.8	0.2	0.2
Pantene	0.6	2.0	0.3	-1.7	-0.8	-0.4	0.0
H&S	-1.1	-2.0	1.3	-0.7	1.0	1.0	0.2
Rejoice Daily Care	3.0	0.1	0.6	-0.1	-1.7	-1.3	-0.3
Lux	0.0	1.2	0.1	-0.2	0.1	-0.5	-0.3
Slek	-3.6	-1.3	-3.3	1.5	2.0	2.9	0.8
Clairol	2.8	3.5	1.9	-1.5	-2.3	-2.5	-0.8
Bang Wang	-1.6	-1.6	-0.5	2.4	2.1	0.1	-0.3
Rejoice Essence	-1.0	-0.6	-0.6	1.0	-0.7	0.5	0.7
Hazeline	-1.5	-1.7	-2.9	-2.0	1.6	3.4	1.4
Sassoon	0.7	0.8	-0.8	0.6	0.1	-1.4	0.0
Clear	0.2	0.3	4.8	1.9	-2.0	-1.9	-1.5
Average MAD	1.5	1.3	1.5	1.2	1.3	1.3	0.6

**Table 4: Average MAD values – Demographic profile**

Market	Pr. Category	Year	Gender			Age			Region			Income		
			L <sup>1</sup>	I <sup>2</sup>	All <sup>3</sup>	L	I	All	L	I	All	L	I	All
Brazil	Mouthwash	2010	0.0	1.5	<b>2.4</b>	0.0	0.9	<b>2.4</b>	0.0	2.4	<b>2.3</b>	0.0	0.4	<b>0.7</b>
	Toothbrush	2010	4.9	2.0	<b>3.9</b>	0.2	1.6	<b>1.7</b>	5.7	1.9	<b>3.7</b>	1.2	0.8	<b>1.0</b>
	Toothpaste	2010	1.4	0.5	<b>1.3</b>	1.6	0.4	<b>1.1</b>	20.0	1.2	<b>10.9</b>	1.3	0.2	<b>1.0</b>
Russia	Toothpaste	2009	0.0	1.2	<b>1.2</b>	0.0	1.2	<b>3.2</b>						
India	Dental Care	2010	3.0	0.4	<b>2.7</b>	1.6	0.8	<b>1.5</b>	7.1	1.2	<b>6.4</b>	1.4	0.4	<b>1.2</b>
	Toothbrush	2012	3.0	0.3	<b>1.8</b>	1.0	0.4	<b>0.9</b>	6.4	0.6	<b>4.9</b>	1.0	0.1	<b>0.9</b>
	Toothpaste	2012	1.6	0.5	<b>2.0</b>	1.8	0.5	<b>1.7</b>	8.6	1.6	<b>7.6</b>	1.3	0.2	<b>1.0</b>
China	Hair Care	2010				0.7	1.1	<b>1.2</b>				0.3	0.3	<b>0.3</b>
Mexico	Dental+Body	2010	4.8	2.1	<b>2.5</b>	2.3	2.6	<b>2.7</b>	14.0	2.8	<b>4.6</b>	2.2	2.1	<b>2.2</b>
Thailand	Dental+Body	2010	0.6	2.8	<b>3.0</b>	1.0	1.0	<b>1.1</b>	7.6	4.6	<b>4.5</b>	1.1	1.0	<b>1.0</b>
Turkey	Hair Care	2008				1.2	1.3	<b>1.3</b>	1.7	1.0	<b>1.9</b>	1.6	0.9	<b>2.0</b>
	Dental+Body	2010	2.4	1.7	<b>2.7</b>	1.8	1.4	<b>1.8</b>	3.1	2.2	<b>2.8</b>	1.4	1.7	<b>1.6</b>

<sup>1</sup>. L = Local Brands; <sup>2</sup>. I = International Brands; <sup>3</sup>. All = All Brands

**Table 5: Average MAD values – Attitudinal differences**

Country	Pr. Category	Year	High Quality			Value for Money			Understand/Meet My Needs			Trustworthy			Affordable		
			L <sup>1</sup>	I <sup>2</sup>	All <sup>3</sup>	L <sup>1</sup>	I <sup>2</sup>	All <sup>3</sup>	L <sup>1</sup>	I <sup>2</sup>	All <sup>3</sup>	L <sup>1</sup>	I <sup>2</sup>	All <sup>3</sup>	L <sup>1</sup>	I <sup>2</sup>	All <sup>3</sup>
Brazil	Mouthwash	2010	0.0	0.3	<b>0.4</b>	0.0	0.7	<b>1.5</b>	0.0	1.0	<b>1.4</b>						
	Toothbrush	2010	1.4	0.8	<b>1.1</b>	1.3	0.8	<b>1.1</b>	1.3	0.6	<b>1.5</b>						
	Toothpaste	2010	0.6	0.2	<b>0.6</b>	1.7	0.2	<b>1.0</b>	0.8	0.2	<b>0.6</b>						
Russia	Toothpaste	2009							0.0	0.8	<b>1.1</b>	0.0	0.6	<b>0.7</b>	0.0	0.6	<b>0.8</b>
India	Dental Care	2010	1.1	0.3	<b>1.0</b>	1.0	0.2	<b>0.7</b>	1.2	0.3	<b>1.0</b>						
	Toothbrush	2012	1.2	0.1	<b>0.9</b>	0.9	0.1	<b>0.6</b>	0.8	0.3	<b>0.9</b>						
	Toothpaste	2012	1.1	0.4	<b>0.8</b>	1.3	0.4	<b>1.1</b>	1.7	0.6	<b>1.4</b>						
China	Hair Care	2010	2.4	6.5	<b>6.2</b>	2.1	5.5	<b>5.1</b>									
Mexico	Dental+Body	2010	2.0	1.4	<b>1.6</b>	3.1	1.5	<b>2.1</b>	10.3	2.4	<b>6.3</b>						
Thailand	Dental+Body	2010	2.7	2.3	<b>2.4</b>	3.3	3.2	<b>2.6</b>	3.8	3.4	<b>3.4</b>						
Turkey	Hair Care	2008	14.4	7.3	<b>13.9</b>	9.8	6.5	<b>9.6</b>	10.2	6.0	<b>10.0</b>	11.4	7.4	<b>11.1</b>			
	Dental+Body	2010	2.1	5.1	<b>5.6</b>	1.6	4.1	<b>4.6</b>				2.2	4.5	<b>4.9</b>			

<sup>1</sup>. L = Local Brands; <sup>2</sup>. I = International Brands; <sup>3</sup>. All = All Brands

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