

Brands and Consumers in Corona Times: Total Local or Focal Glocal: Jones Mathew

The conflict between localization versus globalization has resulted in many international brands adopting the middle path – a.k.a glocalization writes Jones Mathew, Professor, Great Lakes Institute of Management, Gurgaon.

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We have had a slew of successful “local” brands for a long time – Amul, Mother Dairy, Parle G, Thumsup, Ashirwad, Emami, Boroline, etc. Recently, many such brands came out all guns blazing to emphasize their Indian roots, though we didn’t forget that they were indeed Indian brands. Further, there are thousands of regional brands specific to select geographies in the country. Consumers up north would have never heard of Double Horse rice powder or Nirapara spices. ‘Local’ has been alive and thriving for decades.

Therefore, is Vocal for Local a call for supporting what we already support? 75 days after we went into lockdown I randomly examined three bills from the last fortnight of groceries purchased from a local super market. 90% of the brands on those bills were local which includes Indian brands with “Made in India” tag. The remaining 10% were MNC brands like Nestle or Kellogg’s which also had “Made in India” tags. So what does local really mean? Do only brands that are Indian in birth, name and operations qualify for the ‘local’ tag? Does it mean brands which operate in a state or region? If so, we are already

there. And does this mean that the remaining 10% (on my shopping list) who have been in India for decades have no place anymore in this 'vocal for local' clarion call?

It is often assumed that "local" does not have sustaining power of its own. However, "Local" has adapted, modernized and survived many scares in the past. They have done by delivering relevant value to customers at all levels. Parachute Coconut Oil with its "champi kara lo" slogan and Paperboat drinks with its memory-stroking nostalgia platform have proven time and again that "local" is no weak, chicken-hearted player. Bollywood, Tollywood and Kollywood each make more money than all the Hollywood offerings available in India put together. "Local" has always won when three things are taken care of: better quality, lower price and easy availability.

A problem happens when "local" customers taste imported better quality and easily available products at an equal or lower price. Self-sacrifice does not come easy for consumers. Consumers gravitate toward the better or cheaper product or brand, irrespective of local or non-local character.

Will Covid 19 change the narrative? Probably it will. With consumers generally more cautious of the future with less money in their pockets, there will be a movement toward lower-priced products and the origin of the brand will be inconsequential. But since most non-local products generally have a higher price point, Covid-19 is likely to affect their sales. Covid might just help local brands when a Lakme cosmetic product finds more favour than an Elizabeth Arden tube of hope in such times

What could turn out even better for "local" is that once consumers enjoy a lower-priced, good quality product from a home brand, they may not indulge in a more expensive non-local alternative brand, except for satisfying status related urges. Consumers are already evaluating their consumption patterns in everything from eating out habits to apparel purchasing frenzies. "Less is more" may be the new mantra. One thing though they will not accept less is: quality.

So no more Coca Cola, Pepsi Cola, Subway, McDonalds, Pizza Hut, Zara, Mango, Sony, Philips, Google, Facebook, Whatsapp and Zoom after the Vocal for Local call? Is this even realistic in a highly inter-connected world? So no, local cannot mean the exclusion of non-local brands. However, self-sufficiency can do better with a new meaning though - don't go overboard with it.

The sentiment behind 'Vocal for Local' has been around for ages. But the only way a Maruti, Tata, Haldiram, Arya Bhawan, Hero or Bajaj will be purchased is when these brands continue to provide high value to customers. Domestic brands will have to fight it out on the twin planks of quality and price. And it won't be nationalistic fervor that will help buy or not buy. It's just a case of limited money trying to find maximal value. Money, owing to its fluidity, will flow to the brand which is the most efficient purveyor of value. Consumers cannot be blamed for that fluidity.

The conflict between localization versus globalization has resulted in many international brands adopting the middle path – a.k.a glocalization. It is a happy merger of global, national and local values and cultural elements in order to stay relevant to the consumer in distinct local markets. Many MNC brands have mastered this strategy and are "local" in many respects.

What is Covid 19's role in this 'vocal for local' narrative? The situation is unique because pandemics create forces so powerful that there seem very few options for local solutions. The face mask, the sanitizer bottle and six feet physical distancing are the new globally unifying cultural elements. Individual countries trying to find their "national" solutions for a virus that mocks geography is impractical. Similarly, consumerism is a global phenomenon. For just one country to say 'go local' during a pandemic will not help. The forces in favour of "value for money" brands are too strong – local or global.

What's the truest test going to be? Start checking your shopping basket when the supply chain is back on its feet, money flow is back to normal, job losses are stemmed and Corona is defeated. Then we will know the real strength of how vocal we were/are for local. Is it possible we would have gone "Totally Local" on the other side of this pandemic? My guess is we will continue to be "Focal Glocal" – Focused on the best value available, Global or Local.

The article can be read online [here](#).