



EFFECT OF GLOBALISATION ON CONSUMER BEHAVIOUR

Commerce

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ABSTRACT

Globalisation plays very important role in the development of economy of India. It also have very positive effect on consumer behaviour in the form of habits , preference standard of living and high thinking etc. .it also affect the individual's consumable income and hoardings. Not only in the consumption of commodities it also effects the saving and investment perspective, because not citizens of India spend the more part of their income in the capital markets . It only possible with the globalization. So globalisation have more positive effect on Indian industry. This research paper contains theoretical views on the globalization and consumer behaviour and effect of globalisation on consumer behaviour.

Research methodology:- This paper is based on secondary data . Name of educational sites and research papers authors are mentioned below.,

KEYWORDS

Globalisation :-

Globalization or **globalisation** is the process of interaction and integration among people, companies, and governments worldwide. As a complex and multifaceted phenomenon, globalization is considered by some as a form of capitalist expansion which entails the integration of local and national economies into a global, unregulated market economy. Globalization has grown due to advances in transportation and communication technology. With the increased global interactions comes the growth of international trade, ideas, and culture. Globalization is primarily an economic process of interaction and integration that's associated with social and cultural aspects. However, conflicts and diplomacy are also large parts of the history of globalization, and modern globalization.

According to (Bell, 1987), "Economic Development is a field of economics which is related to the process of development. It not only focuses on ways of enhancing structural change and economic growth but also improving the potential of the mass of the population; for instance, through education, health and workplace conditions". Globalization has changed the picture of World Economy, by increasing the cross-border trade, exchanges of currency, free flow of Capital, movement of people and flow of information. Globalization has introduced the concept of border-less and integrated world economy. Globalization has given a new thought to the businesses worldwide. A lot of Strategic changes have been occurred in the businesses. Now target market for businesses is not only their home land, but the overall world (Intriligator, 2003).

Literature Review

The question of Global Consumerism, in the light the recent developments – is indeed a topic of burning importance for all thoughtful observers of the contemporary world. Commentators and Economists do speak about "consumers" and "producers" as two different classes of existing persons, with two different conflicting sets of interests. However, all productive members of society in a modern economy have both of these identities: they are all both "consumers" and "producers". When a worker works, he is a producer; when he shops, he is a consumer. It is a choice about which of these two identities well regard as requiring protection by law. It is a value choice about whether we will treat the citizen's interest in the guise as "consumer" as more deserving of legal protection than his interests in the guise as "producer" or vice versa. It is not a question of economic establishment in a given society rather a conflict about identity politics. It is a conflict over what forms of individual life should be given more viledged status by the law. It is fair to conclude that globalization raises new and important challenges for regulation and consumer law. These challenges are related to the deep changes in the dominant productive structure, the consumption markets, the new processes of social and economic exclusion brought about by the dualism of the modern capitalism and its impacts on the contemporary ledge. The major challenge is not to accept globalization as a homogeneous process, imposed by a necessary historical logic, but as a moment of the modern capitalism, that offers new perspectives for alternative institutional arrangements. The opportunities created by globalization have brought full-fledged uniform culture of consumerism to the

contemporary society where it swallowed slowly and steadily the concept of "Producer" as everyone is a consumer in one or other sense. The consumer is sovereign in contemporary economic thought because modern contemporary consumer legislation aims to protect consumer economic interest rather consumer safety interest. (Sankal Jain)

Consumer Culture and Behaviour

Consumer behaviour is the study of how people make decisions about what they buy, want, need, or act in regards to a product, service, or company. It is critical to understand consumer behaviour to know how potential customers will respond to a new product or service. It also helps companies identify opportunities that are not currently met. Consumer culture influences differences in choices, purchases, and product usage , which ultimately determines purchase behaviour. National wealth can have prominent differences in income levels and has emerged as an explanatory variable for buying decisions . When investigating consumer decisions and reactions, a few other variables are rooted in order, including sociology, economics, and ecology, resulting in additional behavioural reactions by an individual. Culture largely motivates people and affects their behaviour:

the different purchases people make are affected by whether their decisions are based on group or individual decisions, and their choices and emotions affect market choices. Likewise, many researchers have presented other aspects of cultural influence on different facets of CB in different scenarios.

Considering the influence of global product flows, researchers have observed that, in today's world, cultural products and the way of life in the developed world are affecting developing and under-developing countries. This is due to the contact of people through traditional media (e.g., television and film), and new media (e.g., the Internet, electronic social networking, and blogs).

Similarly, the rituals of one culture are being adopted by those of other cultures. Belk empirically showed how forces of globalization are changing consumer culture and explained the macro consumer issues. The major consequence of globalization and multicultural effects include a growing appreciation of the global food industry by the consumers in Asia, and particularly in China . As a result, this is bringing new challenges for business managers in creating sustainability within a culturally diversified food market .

Consumer Culture and Behaviour

Cultural values (CVs) influence how consumers process information and their choices because they play a vital role in almost all fields of management and marketing . The importance and ordering of these values have relative meaning to groups, individuals, and societies. CVs influence consumers when comparing purchases among substitutes in the marketplace. People differentiate brands by remembering benefits or attributes, to build a strong position for brands and . Consumer choices and buying behaviour (Source: Bathae, 2013,)Cultural values (CVs) influence how consumers process information and their choices because they play a vital role in

almost all fields of management and marketing. The importance and ordering of these values have relative meaning to groups, individuals, and societies. CVs influence consumers when comparing purchases among substitutes in the marketplace. People differentiate brands by remembering benefits or attributes, to build a strong position for brands and motivation to buy within a value system.

Effect of globalisation on consumer behaviour

Globalisation have more impact on the consumer behaviour and whole economy as a whole. Before 1991 There was large restrictions on the import and export of commodities. The consumers also did not have much knowledge about the foreign products. But after globalisation many foreign companies came in Indian and boost the economy at very large scale.

Globalization's effects on the way people live, play, and learn and the impact is difficult to measure but readily apparent in almost all societies the globe homogenization of consumer culture in place of diversity is another of the major impacts of the globalization process. This will become more universal because of the development of Information Technology (IT). Globalization is not an unavoidable stage of a historical process, but rather a new phase of world capitalism marked by the transformation of the pre-existing institutional (economic and political) arrangements, habits, culture and theoretical conceptions of the world. In this new world promoting competition and efficiency has become a central economic principle and competition come a core regulatory mechanism. The invasion of market-oriented system over the laissez faire policy is accepted on 'the premise that the unrestrained interaction of competitive forces will yield the best allocation of resources, the lowest prices, the highest quality and the greatest material progress.' The anguish over corrosive spread of modern consumerism in a globalizing world could be gathered from all corners of world. Some describe it as "cultural rootlessness" is what sold by MNEs like Nike & MacDonald's; some argue as critically as terming 'Consumerist law is the enemy of Republican self-Government'. Sandel further argues that it robs us of our connection to self-governing producer institutions like small businesses', leaving us dependent on the large enterprises that supply us with the consumer goods we crave John Rawls in his classic writing termed as "meaningless "consumerism" and identified the problem as conflict between a large free and open market comprising the individual nation states with its separate political and social institutions, historical memories, and forms and traditions of social policy. The idea of economic growths and upwards, with no specific end in sights this class perfectly. However, not everybody is a critic of modern form of pattern of consumerism. A noted historian and Harvard Professor, Lizabeth Cohen, showers all praise to consumerism for opening up political avenues for vulnerable group from society including women. Many Antitrust Lawyers and Academicians insist on the supreme importance of consumer welfare in sensible economic legislation. Even in Gandhian Political Economy, the welfare of the country is included in the welfare of the world; individual welfare is subsumed in the welfare of the country; and the individual is included in the welfare of the world. The central idea which Gandhian philosophy put forward is human and social relations must be embedded in the economic system. Market considerations or sentiment should no overpower social relations in an economy. One of the most important consequences of global transformations in the consumption market is the replacement of the consumer goods society by a "services society". These changes on the side of the consumer, linked to changes in production, collection of information and finance, seem to highlight a remarkable proportional growth in services since the 70's. The implications of the "services society" for consumer law and regulation are manifold.

- **Variety of products**- it only possible with the foreign trade that consumers can get variety of products. now they can make choices to buy the favourite brand and product with their special features.
- **High standard of living**- if the standard of living of consumer is high then it always results to high demand of products and services in the economy. The globalization helps to generate employment opportunities. It leads to high standard of living.
- **Market campaigns**- international companies are known to bring about a great shift in the market share of competitive industries by influencing the purchasing decisions of the consumer.
- **Economic conditions**- By providing employment to the citizens coffee the India economic conditions are in favourable conditions.

Like in agriculture the imported variety of seeds give more production of food grains which helps to increase the GDP.

Conclusion.

After observing the views of great, we can say that globalisation have positive impact on the Indian economy. Today's competitive arena only possible with globalization and results to increase in the total productivity of the economy as a whole. Now we can see the industrial development in India in every sector. Primary sector increase its productivity by new variety of seeds which are imported or developed by new botanical methods. Secondary sector also increase its income by import and export of raw and development of new processes. Territory sector also developed. More part GDP is covered by this sector. All this is a implications of globalisation. Because of development of the country now consumers behaviour are also changed and adopt new and highly effective living standards.

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