CONSUMER BEHAVIOR IN DEVELOPED AND EMERGING ECONOMIES

In order for Multinational companies (MNCs) to expand their businesses to emerging economies, an important research topic in international business is whether the products and marketing strategies of MNCs should be localized or standardized. In this research it is investigated whether the consumer behavior of the Vietnamese consumers is comparable to the European consumer behavior.

STUDY OBJECTIVE

For the course “Management in Emerging Economies” for the Master of Science program “Business Administration” (track “international management”) of the University of Twente, the Netherlands a paper is written on the topic of marketing management whereby a research should be done whether the emerging economies are converging towards, diverging from or crossverging with developed economies. The focus is on consumer behavior of fast moving consumer goods. The consumer behaviors of Vietnam and North-Western Europe are compared with each other. This will help MNCs to decide whether they should localize their products and marketing strategies or that they can globalize it.

STUDY DESIGN

For the study several products of Unilever are used of brands (Dove, Rexona and Omo) which are known in both Vietnam and the Netherlands and Germany.
Two groups of respondents are used (one from Vietnam and one from Germany and the Netherlands). In total, 99 questionnaires were complete and useful. 51 respondents from Vietnam and 48 from the Netherlands and Germany. In total, 46.5% were male and 53.5% were female. Almost all respondents were between the age of 18 and 35. The majority of the respondents were in a slightly or generally in a happy mood.

**Results**

Altogether, it can be said that the different products and advertisements support both the diverging concept and the converging concept, although the diverging concept is supported a little bit more. Especially the Dove advertisement, which is loved in Europe, is not appreciated in Vietnam and therefore supports the divergence concept. From this research, it can be concluded that the consumer behaviour in Vietnam is crossverging with the consumer behaviour in North-West Europe. According to this research, the best suitable strategy for the managers of MNCs, which intend to operate in Vietnam, would be to have a:

“**being global and acting local strategy**”

**PrEmo appraisal**

Because of the cultural differences between Vietnam and the Netherlands and Germany are quite high, the PrEmo tool was a good tool to overcome the cultural differences. Since the emotional responses are quite universal, this was a good tool for the research between the different cultures. Besides that, it is easier for the consumers to indicate their emotions by the products and advertisements, because in this way they don't have to express the emotions by themselves, which is quite difficult

**Personal and Background information**

**Affiliations**

Daniëlle van den Akker, Lena Dresselhaus, Vivianne Pham and Jennifer Tsu are all students Business Administration (track international management) at the University of Twente. This paper is written for the course “Management in Emerging Economies”