



# THE WAY BACK HOME?

International consumer study on globalization in consumer & home electronics

September 2022

A business of Marsh McLennan

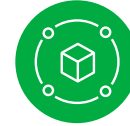
# KEY RESULTS OF THE STUDY



A major share of consumers (from 44% in US to 91% in India) feel that our **world is too globalized** today with respondents from all countries agreeing that **complex interconnections between countries have become challenging**



Especially **French consumers** consider globalization to have a strongly negative impact on the **environment** and to have overall **more disadvantages than advantages**



66% of consumers now have a stronger interest in the **origins of products**. When buying home & consumer electronics, 65% of consumers now show a stronger interest in **domestic brands**, 74% in locally produced devices



Compared to before the start of COVID and consequent global crises, especially **Western consumers care more about where brands are headquartered** with a 29% increase in US and 18%/19% in France and Germany. Chinese and Indian consumers with already high values pre-crisis



**Quality and to a lesser extent sustainability are important reasons why consumers choose to buy locally.** Data security is particularly relevant for Chinese consumers, while the protection of local brands and jobs is more important to Western respondents



Local production is especially then **relevant for product categories, where trust is involved**: 38% find local manufacturers especially important for **health-related products**. Avoiding the long-distance transportation of heavy & bulky goods is highly relevant to only 29%

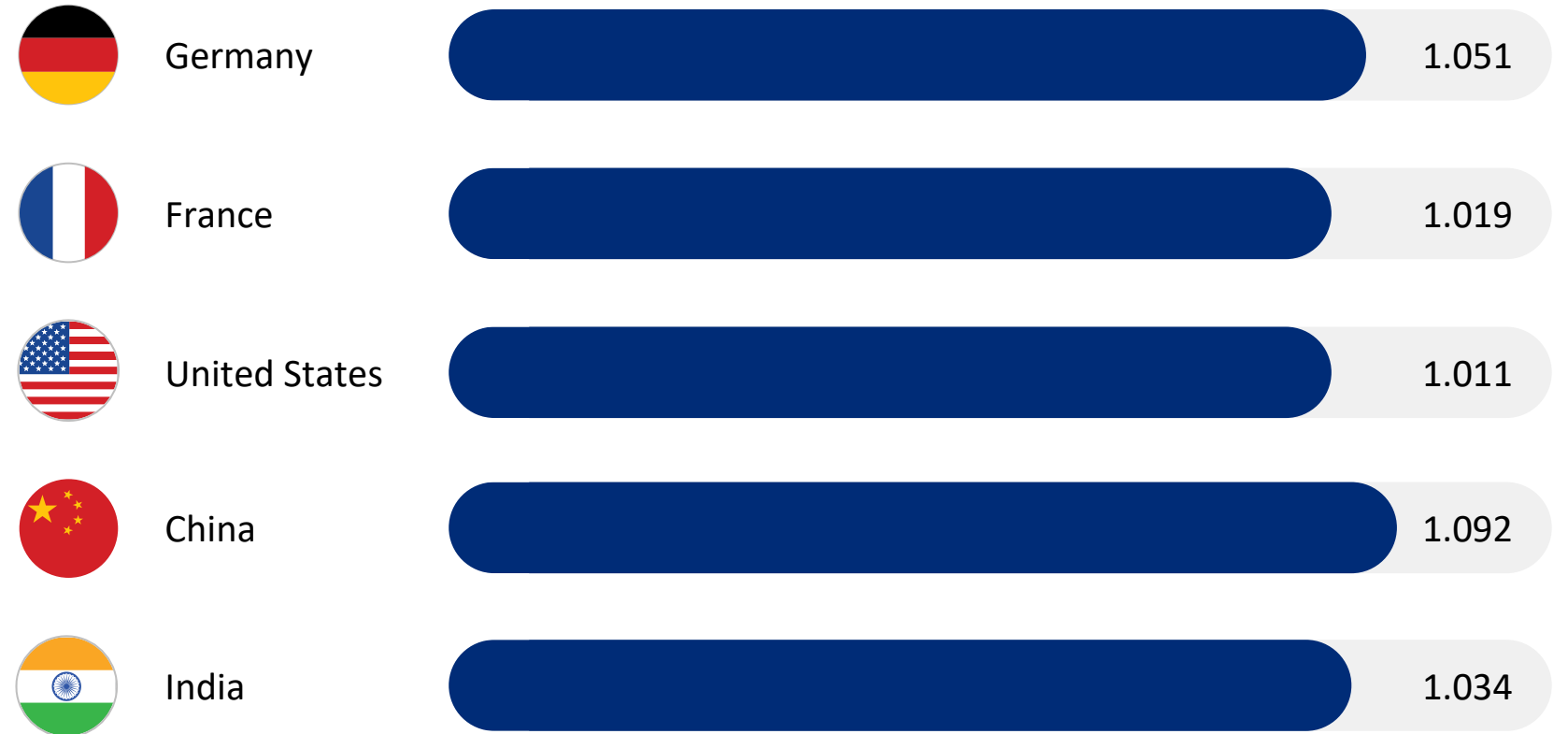
# THIS STUDY WAS CONDUCTED IN AUGUST 2022

Joint study by gfu and  
Oliver Wyman

Representative online  
consumer survey, conducted  
in 5 countries

Conducted in August 2022

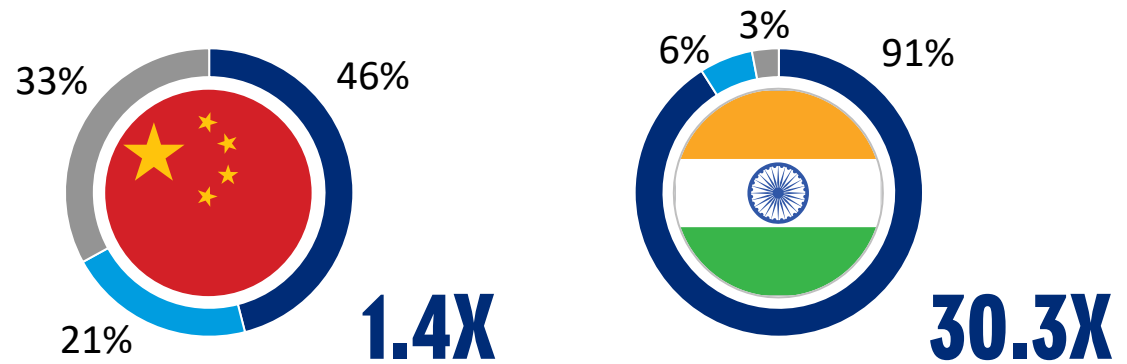
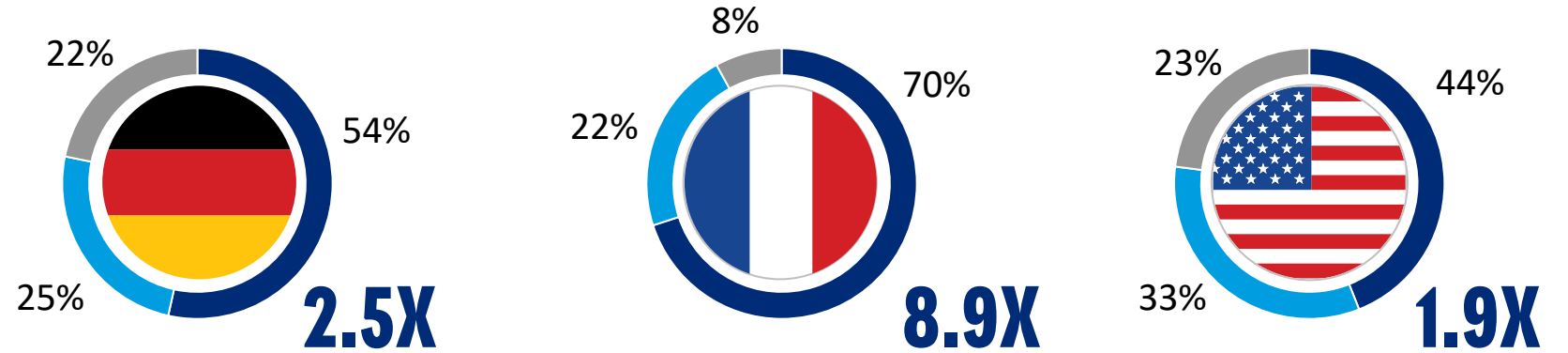
## Sample size by country



*"I believe, our world today is too globalized"*

# TODAY, GLOBALIZATION IS VIEWED CRITICALLY BY MANY CONSUMERS

But: substantial differences  
between countries



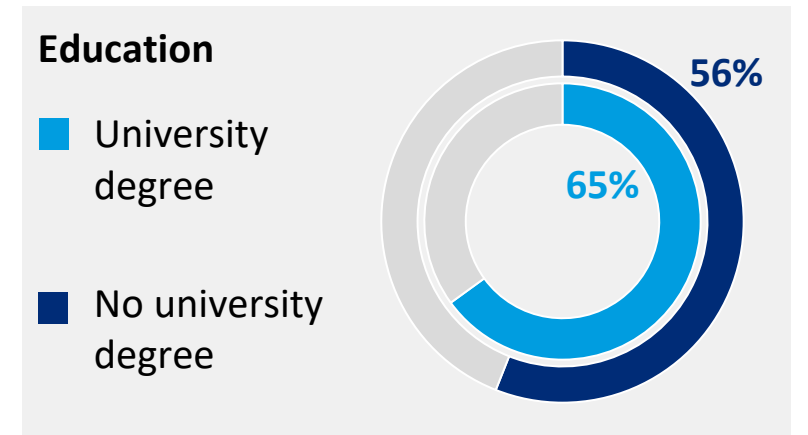
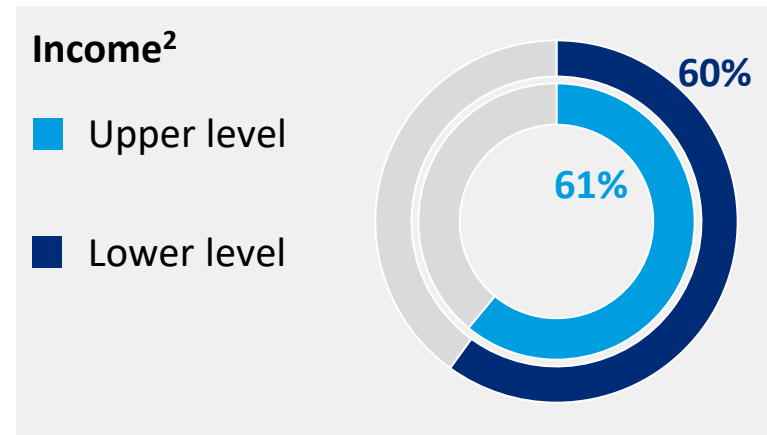
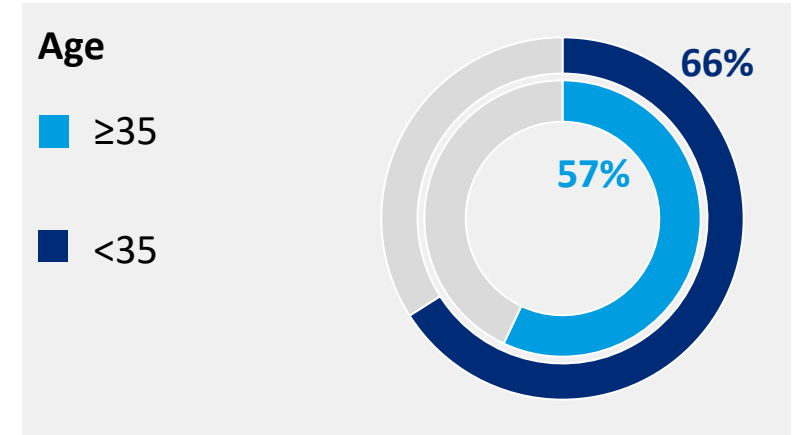
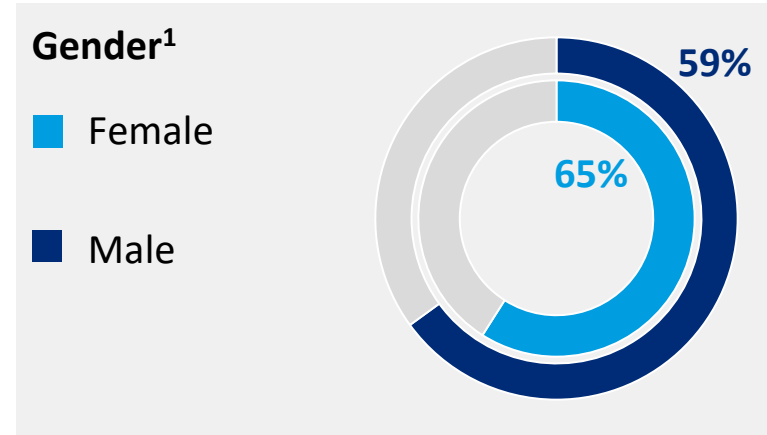
■ (Fully) agree    ■ Neither    ■ (Fully) disagree

Shown factor describes share of agreement vs. share of disagreement  
Source: Oliver Wyman Consumer Survey 2022, n=5,207; 1011-1092 per country

# CONCERNS ON GLOBALIZATION

Higher for male, young, highly educated respondents with less differences between income levels

*“I believe, our world today is too globalized”*  
Share of “(fully) agree”



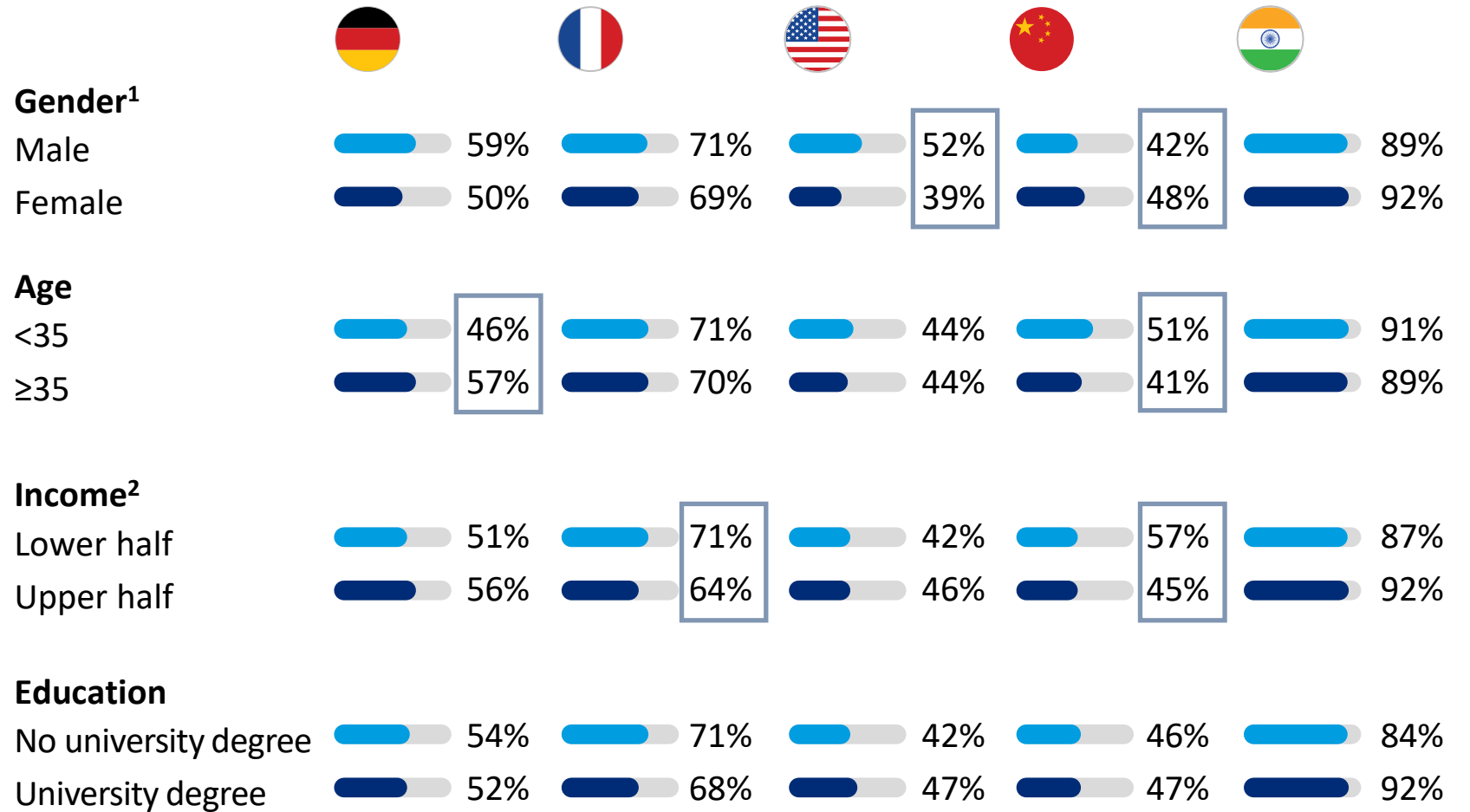
1. Too low n for non-binary respondents; 2. Income clusters vary by country, threshold is set to create 2 similar-sized clusters  
Source: Oliver Wyman Consumer Survey 2022, n=5,207; 1011-1092 per country

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# DIFFERENT PERSPECTIVES ON LIMITATIONS OF GLOBALIZATION

Fully disagree ← not sure → Fully agree

*The **interconnections between countries** are becoming increasingly challenging*



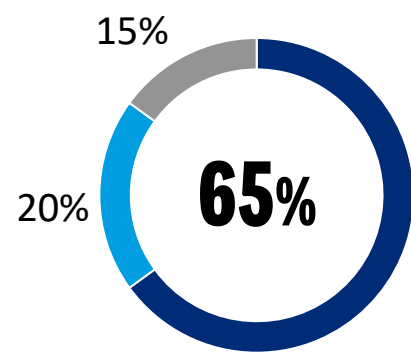
*Globalization has a negative effect on **sustainability and climate protection***



*Globalization has **more advantages than disadvantages***

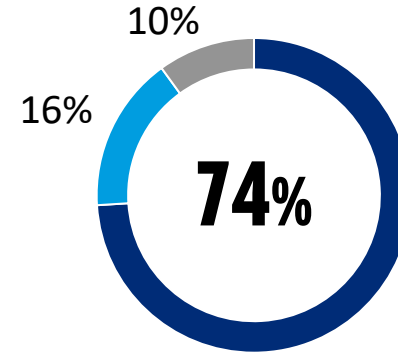


# RECENT CRISES HAVE INCREASED CONSUMERS' AWARENESS FOR THE ORIGINS OF THEIR PRODUCTS



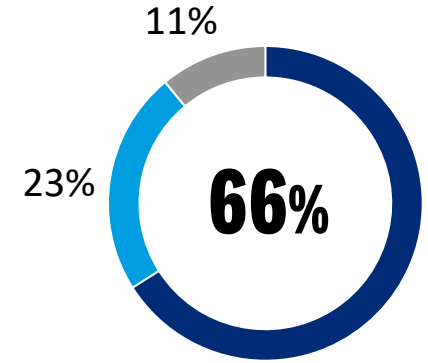
## DOMESTIC BRANDS

*I now have a stronger preference for domestic brands, regardless of where they are produced*



## LOCAL PRODUCTION

*It is more important to me than it was before to buy locally manufactured products*



## SUPPLY CHAIN TRANSPARENCY

*I am now more interested in where the components built into my products are coming from*

■ (Fully) agree    ■ Neither    ■ (Fully) disagree

Source: Oliver Wyman Consumer Survey 2022, n=5,207; 1011-1092 per country

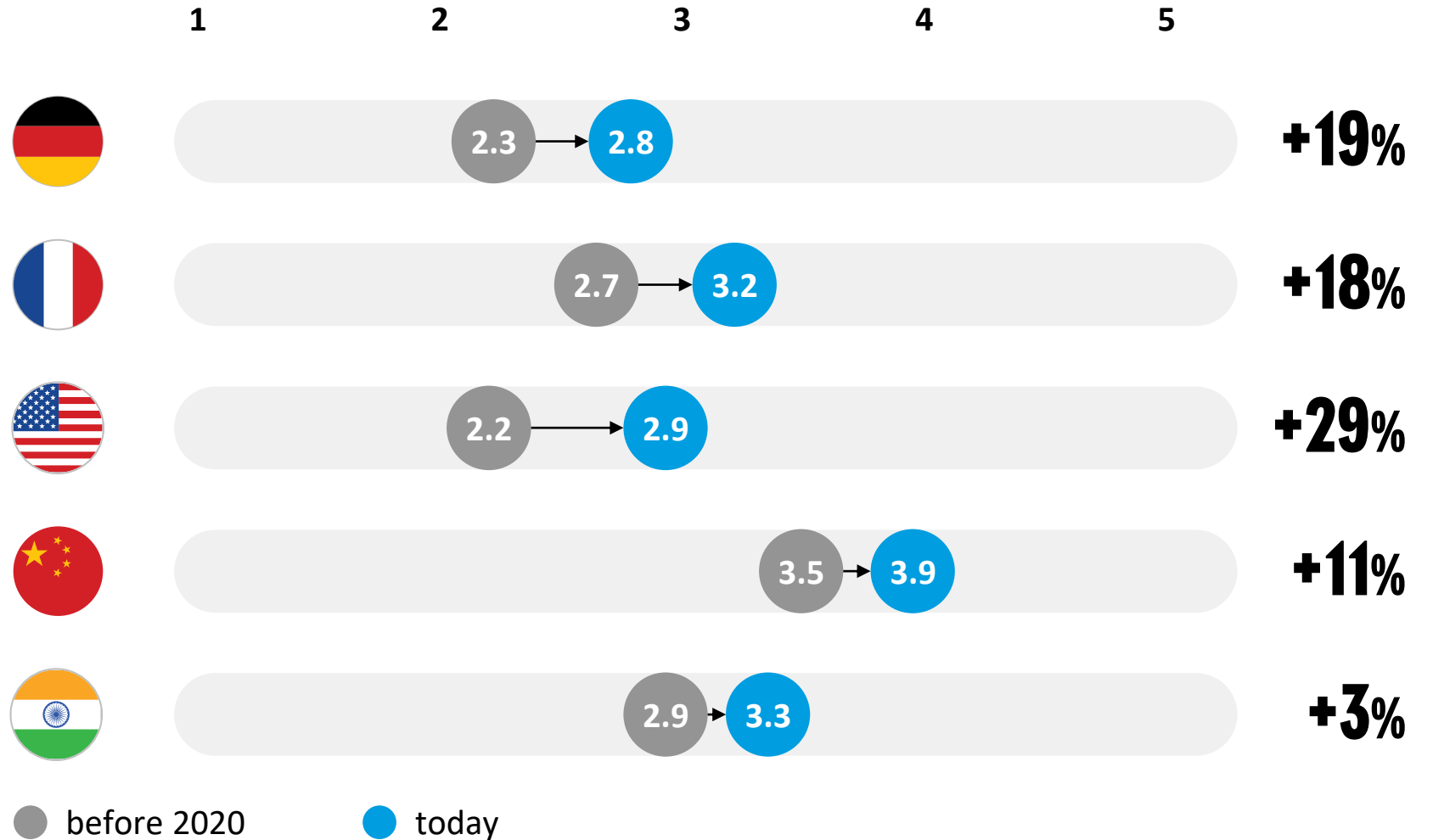


# CONSUMERS NOW CARE MORE ABOUT WHERE A BRAND IS FROM ...

Particularly strong increase in Western countries

*"I care about, where the brand has its headquarter"*

1 = not at all, 5 = very much



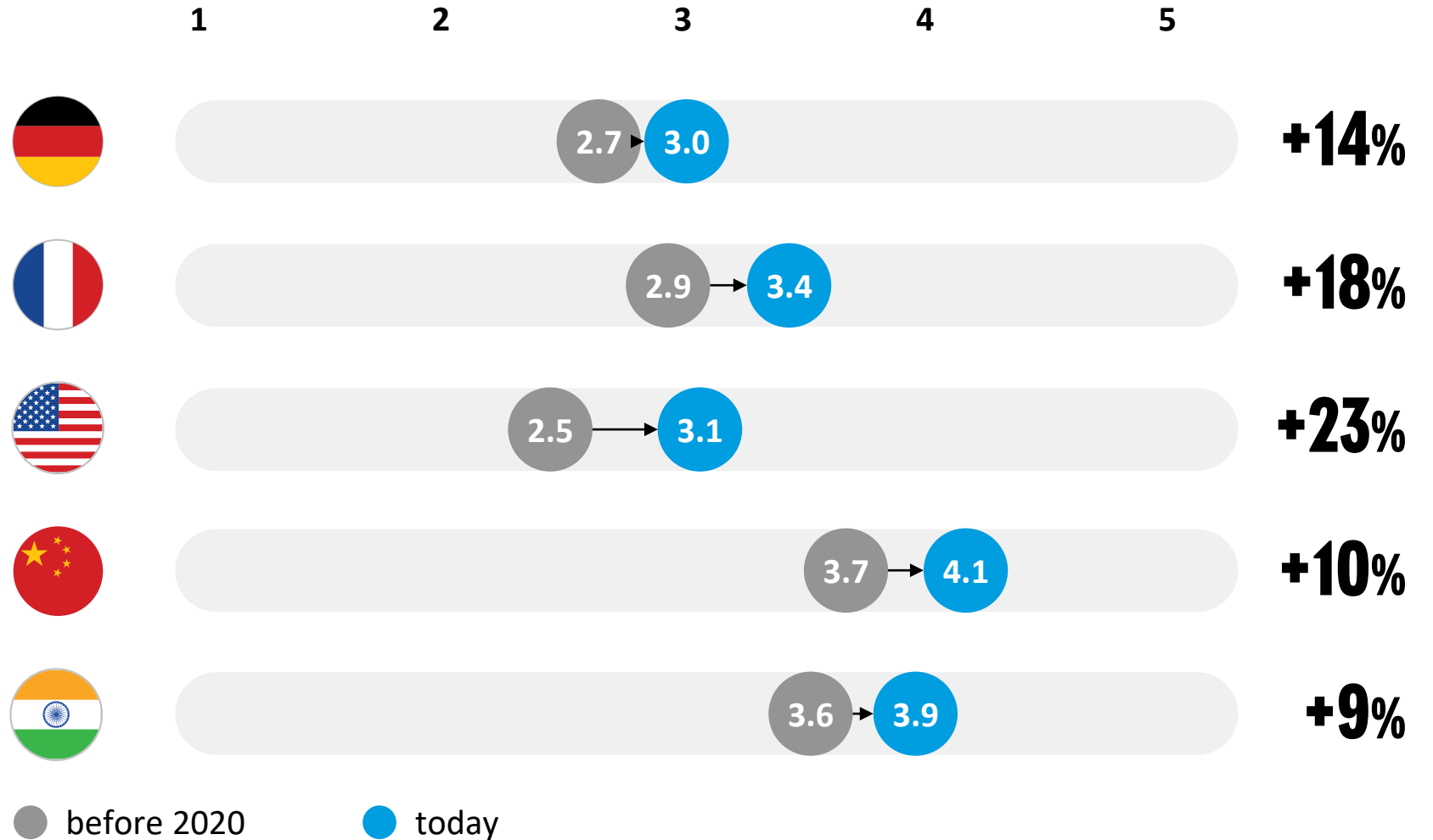
Source: Oliver Wyman Consumer Survey 2022, n=5,207; 1011-1092 per country

# ... AND WHERE A BRAND IS MANUFACTURING ITS PRODUCTS

Particularly strong increase in Western countries

*"I care about, where the brand is manufacturing"*

1 = not at all, 5 = very much



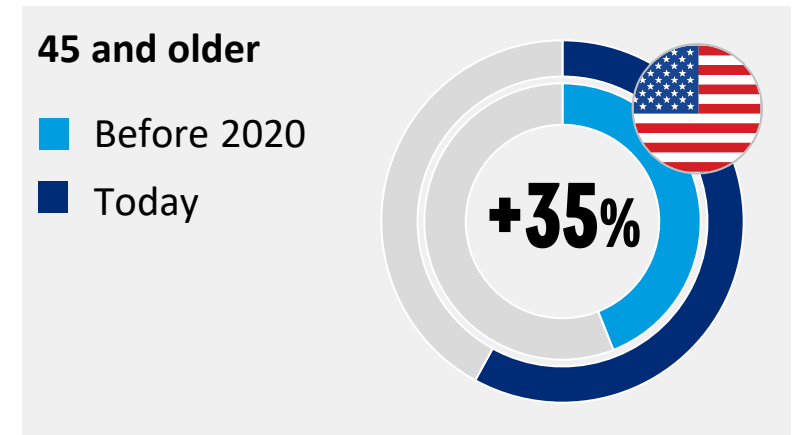
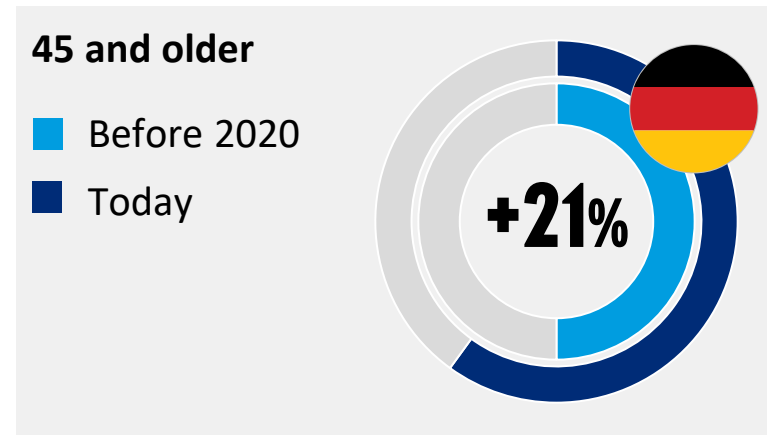
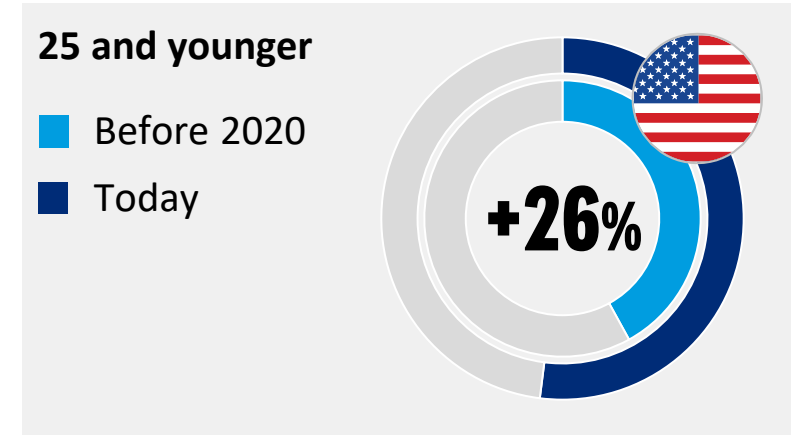
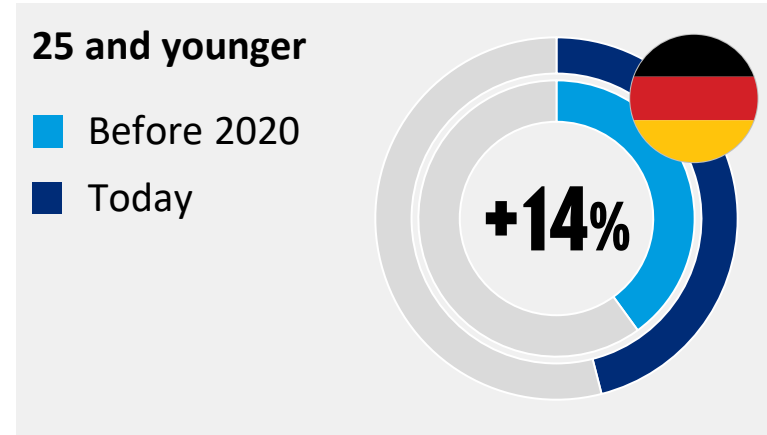
Source: Oliver Wyman Consumer Survey 2022, n=5,207; 1011-1092 per country

# INTEREST IN LOCAL BRANDS IS HIGHER FOR OLDER CONSUMERS

Fewer differences between gender, income and education levels

*“I care about, where the brand has its headquarter”*

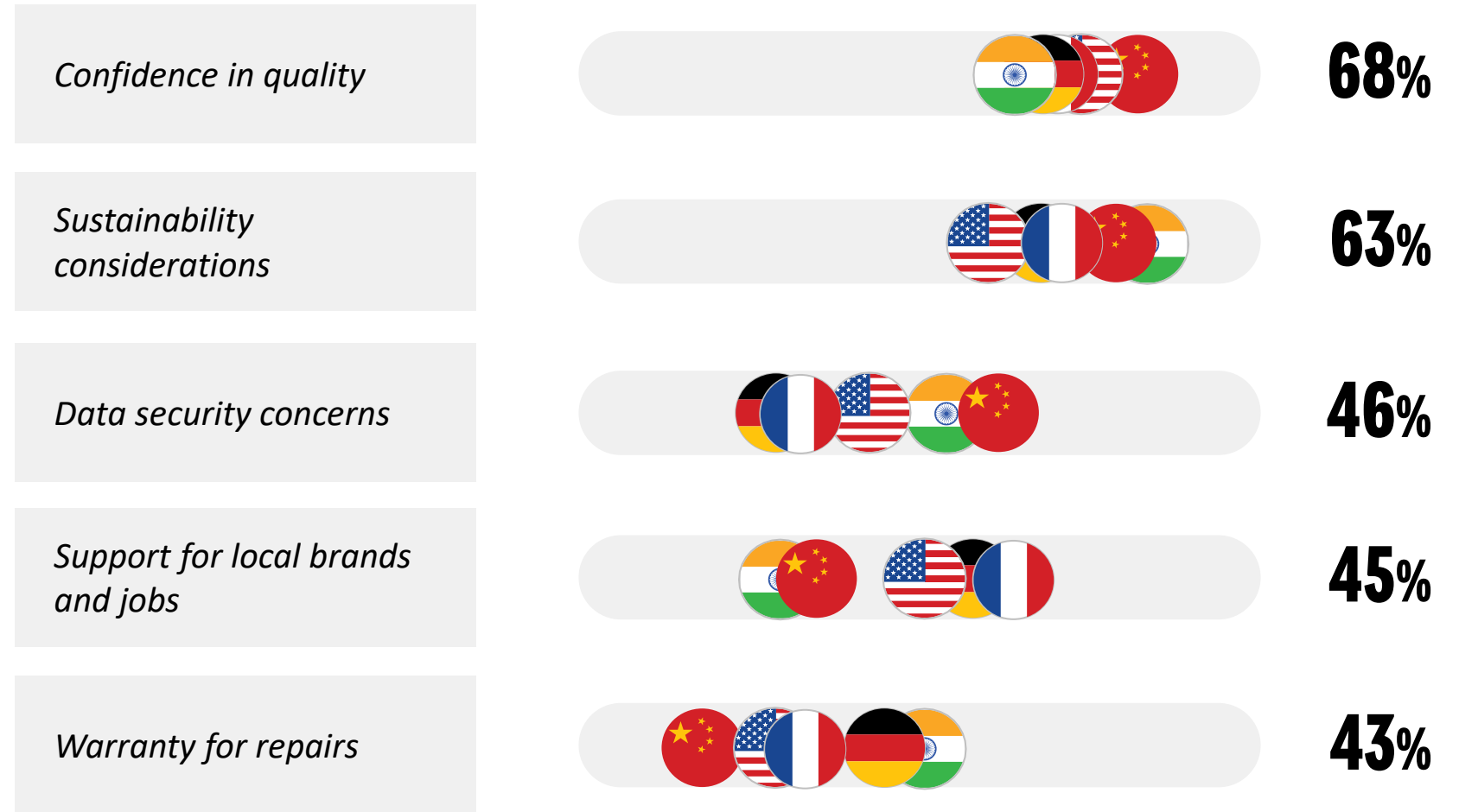
Share of “(fully) agree”; 1 = not at all, 5 = very much



# QUALITY AND SUSTAINABILITY AS KEY REASONS TO BUY LOCALLY

But again: substantial differences between countries

*“Key reasons to buy locally for me are ...”*



Source: Oliver Wyman Consumer Survey 2022, n=5,207; 1011-1092 per country

# RESPONDENTS ARE TAKING STRONGER RESPONSIBILITY THROUGH THEIR CONSUMPTION DECISIONS



*In other countries, humans and nature are being exploited so that we can buy cheap products. This needs to be stopped!*

*I have started to take into consideration how a company behaves, whom they support politically and how they react during global crises*

*I used to buy the products offered on shelf. Now I want to know: which companies, which countries, which people are behind them?*



*“Production in my region is very important for home and consumer electronic products ...”*

**LOCAL PRODUCTION  
ESPECIALLY  
RELEVANT WHEN  
TRUST IS INVOLVED**

*... which can have an impact on my health*



**38%**

*... for which warranty is very important*



**37%**

*... that involve storage of personal data*



**35%**

*... that contain valuable resources*



**35%**

*... that are heavy and bulky*



**29%**

# CONCLUSIONS WE ARE DRAWING FOR CONSUMER & HOME ELECTRONICS BRANDS



Consumers **increasingly worry about the limitations** and downsides of globalization. **Being a local player** or producing locally becomes a **stronger differentiator**



Perception of globalization **differs strongly between countries** with no clear split of “developed vs. emerging”. Brands need to **differentiate their communication** of “being local” accordingly



**Sustainability is a top-of-mind concern** for consumers in a globalized world. Companies with a **green supply chain** will have an increasing edge in the market



Consumers **want to understand where their products are made**. Supply chain transparency will become crucial, also for consumer and home electronics



Consumers **increasingly demand brands to be part of the solution** in climate change and other global crises – companies need to be active to stay relevant



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