Iranian consumers' purchase intention toward global brands

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Abstract

Nowadays, purchase intention is more complicated and more significant for consumers than in the past. The recent globalization has led to increased international Business activities, with many foreign brands competing with local brands in host countries. Consumers in developing countries have different perceptions toward local and foreign brands, even within the same product category. The purpose of this study is to investigate the effects of global brands toward local brands in host countries from the perspective of consumers in developing countries. This article of Iranian consumers examines the impact of individual characteristics (for example, consumer's need for uniqueness and attitudes toward global brands) and brand-specific variables (for example, perceived quality) on purchase intention toward global brands versus a local brand. The results indicate that Iranian consumers' need for uniqueness positively influences attitudes toward foreign products. Attitudes toward foreign products positively affect perceived quality for a global brand while this impact is negative in the case of a local brand.

Keywords: Purchase intention, global brands, need for uniqueness, Iran

1. Introduction

In the present era, customers are encompassed by reports, advertisements, articles and direct mailings that provide large amounts of information. Moreover, different kinds of products, supplies, super markets and shopping malls have complex and difficult decision making. Nowadays, the recent globalization has led to increased international market activities, with many foreign brands competing with local brands in host countries. Consumers have different perceptions toward foreign and local brands, even within the same product category (Herche, 1992). This is especially true in the case of developing countries such as Iran, where foreign brands are preferred over local brands (Agbonifoh and Elimimian, 1999). Consumers in developing countries such as Iran, India and China have increasing choices to select between local and foreign brands. In this competitive environment, both foreign and local retailers must understand why and how consumers in these markets make their brand choices (Kearney, 2006). Iran, one of the fastest growing developing economies in the world (has been the subject of relatively little research in terms of consumer purchase behavior). Several studies on consumer attitudes toward local and foreign brands are limited to consumers from U.S., U.K, and more recently from China (Beaudoin et al., 2000; Wang et al., 2004).

In such countries, some consumers prefer foreign brands because of symbolic meanings that these brands convey (Kottak, 1990). This preference is more common when the foreign product is related to conspicuous consumption and perceived as status-revealing, as in the case of clothing (Piron, 2000). Against this backdrop of continual change, a source of constancy is the brands that a firm offers to its customers. The changes are exerting considerable pressure for firms to develop global brands. Therefore, it’s important to look at the critical factors that shape consumer preferences toward global brands for developing successful global brands. In a very broad sense, one of the forces in the environment that are facilitating the emergence of global brands is cultural globalization. Iran is opening up its retail market to foreign companies and will see an influx of offshore brands in the coming years. The success of foreign and local brands in the Iranian market will depend largely on how these brands are perceived and used by Iranian consumers. Iran is “the nation of shopkeepers” due to a large number of traditional family-run stores primarily carry unbranded products from local manufacturers.

According to cultural globalization theory, globalization leads to the creation of a “global consumer culture” (Ozsomer and Simonin, 2004). Large number of people around in world is substituting globally...
diffused consumer images, symbols and preferences that flow primarily from the West (Zhou and Belk, 2004). For those from their traditional, local cultures (Holton, 2000). However, some scholars have argued that local cultures have a very powerful influence (Ural, 2008; Turner, 2003). Desire of many consumers to maintain local culture continues and they reject influences perceived as global.

Consumers choose products and brands to receive emotional benefits (e.g., display of status, wealth, and prestige) as well as utilitarian benefits (e.g., quality and low price) (Batra et al., 2000). Using foreign brands to exhibit one's social standing is more prominent in developing countries where higher income disparities and status mobility exist (Kottak, 1990). Wishing to lead a life similar to Western cultures, consumers in developing countries often seek to emulate Western practices by purchasing foreign brands (Batra et al., 2000; Kinra, 2006).

In today’s competitive retail environment, the concept of brand equity is an important source of strategic intelligence for marketers. Brand equity occurs when the consumer is familiar with the brand and holds some favorable, strong attitude, and unique brand associations in the memory (Kamakura and Russell, 1991). Perceptions of experiential products (e.g., clothing) are highly influenced by brand attributes and image, which can make significant contributions to a brand’s equity (Aaker, 1991; Yoon and Donthu, 2001). Aaker (1991) suggests several approaches to assess the multidimensional value of brand equity, one of which is to assess equity from a consumer’s perspective.

The purpose of this study is to investigate the effects of global brands toward local brands in host countries from the perspective of consumers in developing countries. This article of Iranian consumers examines the impact of individual characteristics and brand-specific variables on purchase intention toward global brands versus a local brand. Consumption imagery because they more easily identify with local lifestyles, values, attitudes and behaviors (Crane, 2002). The other group of scholars argue that together global and local cultural influences are shaping consumer’s consumption behavior (Alden et al., 2006).

Appadurai (1990) believes that global cultural forces tend to become indigenized in one way or another. Ritzer (2003, p.193) refers to this process as “glocalization”. He defined this concept as “the interpenetration of the global and the local, resulting in unique outcomes in different geographic areas”. From the point of view of glocalization, Alden et al. (2006) express that people integrate elements of global culture to a greater or lesser degree into local culture. As opposed to modernization theory, which predicts unyielding standardization, some globalization theorists (e.g., Turner, 2003; Salcedo, 2003) refer to “liquid differentiation” that results from the “differentiation of modernity and rise of hybrid cultures”.

2. Literature Review

Purchase intention means a consumer prefers to buy a product or service because he/she finds that he/she needs a particular product or service, or even attitude towards a product and perception of product. In other words, purchase intention means consumer will buy a product once again after she or he evaluates a product and finds out that the product is worth buying. While consumers select one particular product, the final decision on accepting a product to buy or rejecting it depends on consumers’ intention. Also, a large number of external factors have been recognized, which can affect PI (Keller, 2001).

Apart from the desire to conform to social norms, individuals may also feel threats to their identities when they perceive that they are highly similar to others (Snyder & Fromkin, 1977). In order to alleviate the identity threat, individuals tend to engage in self-distinguishing behaviors, and NPU refers to the trait of pursuing differences relative to others. Because material possessions are often extensions of the self (Belk, 1988), one way to differentiate oneself from others is to acquire and possess unique products (Snyder, 1992).

Unique products are usually novel, relatively unpopular, or scarce, and are possessed by a limited number of consumers (Tian et al., 2001). Indeed, many prior studies show that scarcity per se enhances the evaluation of products across different categories, and uniqueness-seeking is one explanation for the positive effect of scarcity on product desirability (see Lynn, 1991, for a review). Researchers also find that consumers who desire uniqueness prefer a product more as its price increases (Amaldoss & Jain, 2005).

Several researchers recognize that cognitive and affective states influence purchase behavior (Li et al., 1994; Zajonc, 1984). This recognition relates to the basic understanding that consumers are rational and emotional as well (Hirschman, 1984; Zajonc and Markus, 1982). This understanding extends to the cognitive–affective model of buying intentions, in which both cognitive response (perceived quality) and affective response (liking) influence willingness to buy (Li et al., 1994). Li et al.’s (1994) model utilizes price, brand, and country-of-origin as influential factors of cognitive and affective responses. Verlegh and Steenkamp (1999) also argue that consumers not only perceive cognitive cues but also perceive emotional meanings from products originating from...
another country. This study investigates the direct influences of perceived quality on Iranian consumers' purchase intention (buying intention) toward a global brand and a local brand.

Brand equity is the added value endowed to a product as a result of past investments in the marketing of the brand. Added value of a brand is created in the mind of consumers as a result of perceived performance on various marketing dimensions (Keller, 1998). Further, brand equity develops from the confidence that consumers place in one brand over another (Kamakura and Russell, 1991). This confidence leads to value for both the firm and the customer (Aaker, 1991). The advantages that a brand with higher equity enjoys are increased brand loyalty, premium pricing, and lower advertising-to-sales ratios (Keller, 1998; Sriram et al., 2007).

Brand equity has been considered as a multidimensional construct (Aaker, 1991; Keller, 1993; Washburn and Plank, 2002; Yoo et al., 2000). Aaker (1991) proposes brand loyalty, brand awareness, perceived quality, brand associations, and other proprietary brand assets as dimensions of brand equity. Similar dimensions are suggested by other researchers; brand loyalty and brand associations are identified by Shocker and Weitz (1988); brand knowledge, composed of brand awareness and brand image, by Keller (1993). Among various suggestions, perceived quality of brand, brand loyalty, and brand associations with brand awareness are popularly accepted as common dimensions of brand equity (Aaker, 1991; Yoo et al., 2000).

One of the most important features which influence purchase intention is demographic (age, gender and race). Young consumers in different ages have different behavior. A nineteen years old consumer may behave differently with a twenty-five years old consumer. For example, some young consumers are more concerned on the labeled products than another young consumers (Nabil & Imed, 2010). The effect of gender depends on some factors. For example, females are more concerned about those kinds of products that are directly related to house because as housewives, the quality of the products is more important for them compared to men. Thereby, label, brands and quality have effects on consumers' purchase intention (Ahasanul, Ali & Sabbir, 2006; Safiek, 2009b).

The other factors that shape purchase intention among males and females are information and education. For example, a study shows that females are less experienced with online purchasing; therefore, they rely on other recommendation than males during decision making process (Chiao & Yang, 2010). Atmosphere and environment also influence consumers' purchase intention among males and females. An investigation shows that music in restaurants has more effect on females than males. (Stephanie Wilson, 2003). In addition, studies showed that men are more risk taking than women and they are more reliance on themselves to make purchase decision than women (Syed, 2003).

Different ethnic groups act differently to make purchase decision. For example, studies in the United States have shown that African-Americans in some cases have different purchase intentions than the whites (Americans).

Some factors can have effects on different races such as media, advertisements, and televisions. The other example shows that 16% of married white women are more likely to do home purchase than married black women in the United States; but some other factors (socio-economic, environment, culture, income) could be combined with race to achieve better outcomes (Chiao & Yang, 2010).

Perceived quality is defined as a consumer's evaluation of a brand's overall excellence based on both intrinsic cues (e.g., performance, durability) and extrinsic cues (e.g., brand name, warranty) (Kirmani and Baumgartner, 2000). When consumers perceive a brand to be of high quality, they are more likely to purchase the brand over competing brands, pay a premium price, and choose the brand (Netemeyer et al., 2004). Brand loyalty is defined as a tendency to be loyal to a particular brand such that the consumer intends to purchase the brand routinely and resists switching to other brands (Yoo et al., 2000). Thus, brand loyalty encourages a customer to pay a premium price, develops a barrier to entry for other brands, and protects the brand against intense price competition (Lassar et al., 1995).

Brand associations with brand awareness (BABAs) form a specific brand image because what is linked in memory to a brand builds "a set of associations, usually insome meaningful way" (Aaker, 1991, p. 109). BABAs relate to the likelihood that a brand name will come to mind when the consumer is making a purchase decision and the ease with which it does (Rossiter and Percy, 1987).

Consumers react to marketing efforts differently between a branded product and an unbranded product, which can be attributed to brand equity (Yoo and Donthu, 2001). Besides, differences in consumer response may arise from individual characteristics because they influence cognitive and affective components, which in turn influence behavior (Holbrook and Hirschman, 1982). It is likely that Iranian consumers' perceived quality, brand
loyalty, and BABAs are influenced by their gender, need for uniqueness, and attitudes toward foreign products. Therefore, these individual characteristics are incorporated in this study. Gender is demographic information, and need for uniqueness is an inherent personality trait (Tian et al., 2001). On the other hand, attitudes are overall evaluations and are learned over time (Wells and Prensky, 1996).

The other external factor that influences consumers’ purchase intention is geography. Locations that products are being produced and manufactured are very important for consumers and can shape their purchase intention. A place to shop for organic products is crucially integral for consumers. For instance, a research demonstrates that the majority of consumers prefer to buy their organic food and products from hypermarkets and shopping malls and only a few of them enjoy buying products in farms (Siti & Nurita, 2010).

Group also affects consumers and their purchase intention. Previous experiences of celebrities have utilized different assumptions and basic theoretical grounds of psychology to describe how a sponsorship as an influential effect consumers’ purchase intention and their behavior (Speed & Thompson, 2000). Sport celebrities as a group of influential figures have significant influences on young consumers especially when they want to make decision to choose a brand and purchase intention. Star members in each team have significant effects on consumer behavior. Thus, they would make brand for the team’s sponsor because team members are able to attract enormous amount of consumers for a brand (Rashidah & Fairuzana, 2006).

According to the theory of reasoned action (Fishbein & Ajzen, 1975), an individual’s behavioral intention depends on his or her attitude toward the behavior and the subjective norms associated with the behavior. Prior studies demonstrate the strong and positive relationship between attitude and intention in a wide variety of settings (e.g., Dabholkar & Bagozzi, 2002; Sheppard, Hartwick, & Warshaw, 1988).

Some individuals conform with a society’s group norms; others strive to differentiate themselves by rebelling against social norms. Individuals in the latter case tend to express their desire for differentiation through their product purchases (Simonson and Nowlis, 2000). This tendency is described as consumers’ need for uniqueness, defined as an enduring personality trait by which consumers pursue dissimilarity through products and brands in an effort to develop a distinctive self and social image (Tian et al., 2001). Several individual characteristics that lead to need for uniqueness were identified in the previous literature. Individuals with a strong need for uniqueness tend to be independent, high in risk-taking, novelty seeking, and masculine. On the contrary, conformity, social anxiety, and femininity have been negatively related to need for uniqueness (Tepper and Hoyle, 1996).

Previous research suggests that females are more likely to conform to group norms than males (Eagly and Chrvala, 1986). This gender difference is due to the fact that females are traditionally expected to be selfless, more concerned about others, and have a desire to be one with others, while males are expected to be assertive and have an urge to master over others (Eagly and Chrvala, 1986).

Holbrook and Hirschman (1982) suggest that individual differences have an effect on cognitive and affective factors, which in turn affect behavior. This study uses the need for uniqueness and attitudes toward American products as individual differences that relate to the cognitive-affective model. Need for uniqueness is a trait or personality characteristic that is inherent in a person (Tian et al., 2001), while customers learn attitudes over time (Wells and Prensky, 1996) and become more susceptible to marketing efforts (Roper, 1966). Existing attitudes towards a country might affect how consumers evaluate a particular product category from that country and a particular brand from that country (Häubl, 1996). This study proposes that need for uniqueness (inherent characteristic) influences attitudes toward foreign products, which in turn influence the cognitive and affective responses toward a foreign versus an Iranian local brand. Fig. 1 shows the conceptual model.

Fig. 1. Conceptual model

In the cognitive–affective model, researchers recognize perceived quality as a cognitive response to a product, which influences product purchase. Some authors associate perceived quality with a brand’s country of origin. Cordell (1992) finds that U.S. consumers perceive products originated from industrialized countries such as...
England and Canada as higher quality than those from less developed countries such as Indonesia and Bolivia. Also, Jaffe and Martinez (1995) find that Mexicans rate American and Japanese electronic products much more positively than Mexican brands; Mexican consumers' positive attitudes toward American products lead to this positive perception of quality. In addition, consumers in several Eastern European countries perceive Western products to be superior in quality than their domestic products (Good and Huddleston, 1995).

Studies have found that gender differences exist in patriotism, ethnocentrism, and evaluation of domestic versus foreign products; females tend to be more conservative, more patriotic, and more ethnocentric than males, resulting in females rating domestic products more favorably (Han, 1988; Vida and Fairhurst, 1999).

Consumers express their uniqueness by possessing and displaying original, novel, and unique consumer products and brands (Kron, 1983). Clothing and accessories are well-known products that express one's individuality (Solomon, 2003). Purchase intention refers to a consumer tendency to purchase the brand routinely in the future and resist switching to other brands (Yoo et al., 2000). Consumers may purchase a brand when they perceive the brand offers the right product quality or features. The perception of high quality may lead consumers to recognize the differentiation and superiority of a particular brand and thus encourage them to choose that brand over competing brands (McConnell, 1968b; Yoo et al., 2000). This positive relationship between quality and purchase intention should apply regardless of whether the product is a global brand or a local brand.

Consumers' positive attitudes towards brands determine brand loyalty; positive attitudes, in general, lead to great loyalty (Petty and Krosnick, 1995). Researchers have stated that for consumers in less developed countries, country image or attitude towards a country plays a significant role in influencing their purchase behavior (Lin and Sternequist, 1994). This is because consumers in less developed countries do not have enough information and experience with purchasing foreign brands (Zhang, 1996).

Also, brand loyalty towards local brands has been studied as well. Shen et al. (2003) revealed that Chinese consumers' positive attitudes toward US apparel significantly influenced their intentions to purchase US garments.

3. Research hypotheses

i. The need for uniqueness increases, Iranian consumers have increasingly positive attitudes toward foreign products.

ii. Consumer attitudes to foreign products have significant impact on their perceived quality of global brands.

iii. The perception of global brand's quality, Iranian consumers have increasingly their intention to purchase the global brand.

4. Methodology

In the present study, we investigated the effects of global brands toward local brands in host countries from the perspective of consumers in Iran. The current study, according to its purpose, is an applied research and also is kind of descriptive surveys of the area of field studies considering the data collection method. To investigate the relationship between the variables and testing hypothesis, after collecting the needed data and information through questionnaires, statistical software SPSS 20 was used.

The sample size is very important to generalize the results to the community. There are several methods for determining sample size which among them mathematical methods are the most accurate ones for calculating the sample size.
Cochran's formula is used to obtain the sample size in this study based on which the number of sample is equal to 384, which shows the maximum sample size in cases we may not have the exact population of the study with 5% of error.

\[ d = 0.05 \]  
\[ \alpha = 0.05 \]  
\[ z_{\frac{\alpha}{2}} = 1.645 \]  
\[ P = 0.05 \]  
\[ e^2 = 0.05 \]

\[ n = \frac{z^2 \cdot p(1-p)}{e^2} = \frac{(1.96)^2 \cdot (0.5) \cdot (0.5)}{0.05} = 384 \]

In this study, the data collected in the field part was done by a questionnaire and the library method was used to collect information about the concepts and theories related to the topic of the research. The questions are based on a Likert scale from very much agreement to very much disagreement that the grading is 1 to 5. In the present study, in order to more assurance a total number of 400 questionnaires were distributed among consumers in stores. Some of questionnaires were excluded due to wrong and incomplete responses and finally 384 questionnaires were analyzed for data analysis.

In the present study, Cronbach's alpha coefficient was used to assess the reliability of the questionnaire and the reliability of the questionnaire is obtained Cronbach's Alpha: 0.87.

5. Findings and Discussion

In this part we have tried to examine each hypothesis by using inferential two-variable linear regression statistics to test the first hypothesis and independent T test to examine the second hypothesis, and made a decision to approve or reject the hypotheses.

**Test of the first hypothesis:** The need for uniqueness increases, Iranian consumers have increasingly positive attitudes toward foreign products.

Our \( H_0 \): The need for uniqueness increases, Iranian consumers have not increasingly positive attitudes toward foreign products.

Our \( H_1 \): The need for uniqueness increases, Iranian consumers have increasingly positive attitudes toward foreign products.

A survey on the correlation between need for uniqueness and Consumer attitudes toward foreign products is achieved by using an inferential two-variable linear regression statistics, based on which the calculated p-value (0.001) is less than significant level 0.01, therefore, at this level, \( H_0 \) is rejected. So it is concluded that the linear regression model is significant and it means that there is a significant correlation between need for uniqueness and Consumer attitudes toward foreign products. Correlation coefficient is \( R = 0.67 \), which represents extend of correlation between need for uniqueness and attitudes toward foreign products. Given that the value of \( R^2 \) (adjusted \( R^2 \)) is equal to 0.43, it is concluded that the variable of need for uniqueness to consumers in this model, determine 0.43 of the variance of attitudes toward foreign products by consumers (Table 1).

The results also indicate that the regression coefficient of need for uniqueness impact on Consumer attitudes toward foreign products is 0.49 and the due to the P-value (significance) of 0.001 which is smaller than the significance level of \( \alpha = 0.05 \), the \( H_0 \) is rejected in this level and thus it can be said that need for uniqueness has a significant positive impact on Consumer attitudes toward foreign products. In other words, the results show that, the need for uniqueness increases, Iranian consumers have increasingly positive attitudes toward foreign products.
Table 1: The coefficients of the regression model of the correlation between need for uniqueness and Consumer attitudes toward foreign products

<table>
<thead>
<tr>
<th>Variable</th>
<th>R</th>
<th>R²</th>
<th>R² adj</th>
<th>Estimate B</th>
<th>SE</th>
<th>The standard estimate of β</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>The extent of need for consumers</td>
<td>0.67</td>
<td>0.44</td>
<td>0.43</td>
<td>1.06</td>
<td>0.065</td>
<td>0.67</td>
<td>16.55</td>
<td>0.001</td>
</tr>
</tbody>
</table>

**Test of the first hypothesis:** Consumer attitudes to foreign products have significant impact on their perceived quality of global brands.

Our H₀ is: Consumer attitudes to foreign products have not significant impact on their perceived quality of global brands.

Our H₁ is: Consumer attitudes to foreign products have significant impact on their perceived quality of global brands.

A survey on the correlation between Consumer attitudes to foreign products and their perceived quality of global brands achieved by using an inferential two-variable linear regression statistics, based on which the calculated p-value (0.001) is less than significant level 0.01, therefore, at this level, H₀ is rejected. So it is concluded that the linear regression model is significant and it means that there is a significant correlation between Consumer attitudes to foreign products and their perceived quality of global brands. Correlation coefficient is R=0.75, which represents extend of correlation between Consumer attitudes to foreign products and their perceived quality of global brands. Given that the value of R²(adj) (adjusted R²) is equal to 0.52, it is concluded that the variable of Consumer attitudes to foreign products to consumers in this model, determine 0.52 of the variance of their perceived quality of global brands by consumers (Table 2).

The results also indicate that the regression coefficient of Consumer attitudes to foreign products impact on perceived quality of global brands is 0.18 and the due to the P-value (significance) of 0.001 which is smaller than the significance level of α=0.05, the H₀ is rejected in this level and thus it can be said that Consumer attitudes to foreign products has a significant positive impact on their perceived quality of global brands. In other words, the results show that Consumer attitudes to foreign products have significant impact on their perceived quality of global brands.

Table 2: The coefficients of the regression model of the correlation between Consumer attitudes to foreign products and their perceived quality of global brands

<table>
<thead>
<tr>
<th>Variable</th>
<th>R</th>
<th>R²</th>
<th>R² adj</th>
<th>Estimate B</th>
<th>SE</th>
<th>The standard estimate of β</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>The extent of Consumer attitudes to foreign products</td>
<td>0.75</td>
<td>0.52</td>
<td>0.41</td>
<td>1.75</td>
<td>0.063</td>
<td>0.65</td>
<td>18.53</td>
<td>0.001</td>
</tr>
</tbody>
</table>

**Test of the first hypothesis:** The perception of global brand's quality, Iranian consumers have increasingly their intention to purchase the global brand.

Our H₀ is: The perception of global brand's quality, Iranian consumers have not increasingly their intention to purchase the global brand.

Our H₁ is: The perception of global brand's quality, Iranian consumers have increasingly their intention to purchase the global brand.

A survey on the correlation between perception of global brand's quality and intention to purchase the global brand is achieved by using an inferential two-variable linear regression statistics, based on which the calculated p-value (0.001) is less than significant level 0.01, therefore, at this level, H₀ is rejected. So it is concluded that the linear regression model is significant and it means that there is a significant correlation between perception of global brand's quality and intention to purchase the global brand. Correlation coefficient is R=0.75, which represents extend of correlation between perception of global brand's quality and intention to purchase the global brand. Given that the value of R²(adj) (adjusted R²) is equal to 0.61, it is concluded that the variable of perception of global brand's quality to consumers in this model, determine 0.61 of the variance of intention to purchase the global brand (Table 3).
The results also indicate that the regression coefficient of perception of global brand's quality impact on purchasing intention is 0.58 and the due to the P-value (significance) of 0.001 which is smaller than the significance level of α=0.05, the H₀ is rejected in this level and thus it can be said that perception of global brand's quality has a significant positive impact on Consumers’ Purchasing Intention to global brand. In other words, the results show that the perception of global brand's quality, Iranian consumers have increasingly their intention to purchase the global brand.

Table 3: The coefficients of the regression model of the correlation between perception of global brand's quality and intention to purchase the global brand

<table>
<thead>
<tr>
<th>Variable</th>
<th>R</th>
<th>R²</th>
<th>R² adj</th>
<th>Estimate B</th>
<th>SE</th>
<th>The standard estimate of β</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>The extent of perception of global brand's quality</td>
<td>0.75</td>
<td>0.61</td>
<td>0.63</td>
<td>1.69</td>
<td>0.073</td>
<td>0.69</td>
<td>19.43</td>
<td>0.001</td>
</tr>
</tbody>
</table>

6. Conclusions

Consumers in developing countries such as Iran, China and India have increasing choices to select between local and foreign brands. In this competitive environment, both foreign and local retailers must understand why and how consumers in these markets make their brand choices. The purpose of this study was to assesses Iranian consumers’ purchase intention toward global brands. In other words, the purpose of this study was to investigate the effects global brands toward local brands in host countries from the perspective consumers in developing countries. This article of Iranian consumers examined the impact of individual characteristics (For example, consumer's need for uniqueness and attitudes toward global brands) and brand-specific variables (For example, perceived quality) on purchase intention toward global brands versus a local brand. This study also responds to the existing call for more studies on need for uniqueness. Research on need for uniqueness appears primarily in fashion consumer behavior studies (e.g., fashion opinion leadership), with samples from U.S. consumers (e.g., Clark and Goldsmith, 2005; Workman and Kidd, 2000). This study finds that need for uniqueness informs attitudes toward foreign products among Iranian consumers. This article provides valuable strategic recommendations for both Iranian retailers and foreign retailers who plan to enter the Iranian market. Iranian retailers must note that attitudes toward global brand have a negative effect on perceived quality for the local brand. Considering that positive perceptions of quality is important for the long-term success of a brand, Iranian retailers need to reshape their consumers' attitudes toward local brands through marketing and promotional campaigns. Although established consumer attitudes are not easy to alter (Aaker, 1996), Iranian retailers may benefit from employing aggressive marketing strategies to improve consumer perception of their brands in terms of quality and emotional appeal. The results indicate that Iranian consumers' need for uniqueness positively influences attitudes toward foreign products. Attitudes toward foreign products positively affect perceived quality for a global brand while this impact is negative in the case of a local brand. Results of this study can be directly or indirectly used as guidelines for manufacturing companies or firms, service, advertising and commerce firms.
References