



THE WAY BACK HOME?

International consumer study on globalization in consumer & home electronics

September 2022

A business of Marsh McLennan

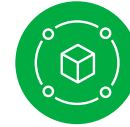
KEY RESULTS OF THE STUDY



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%

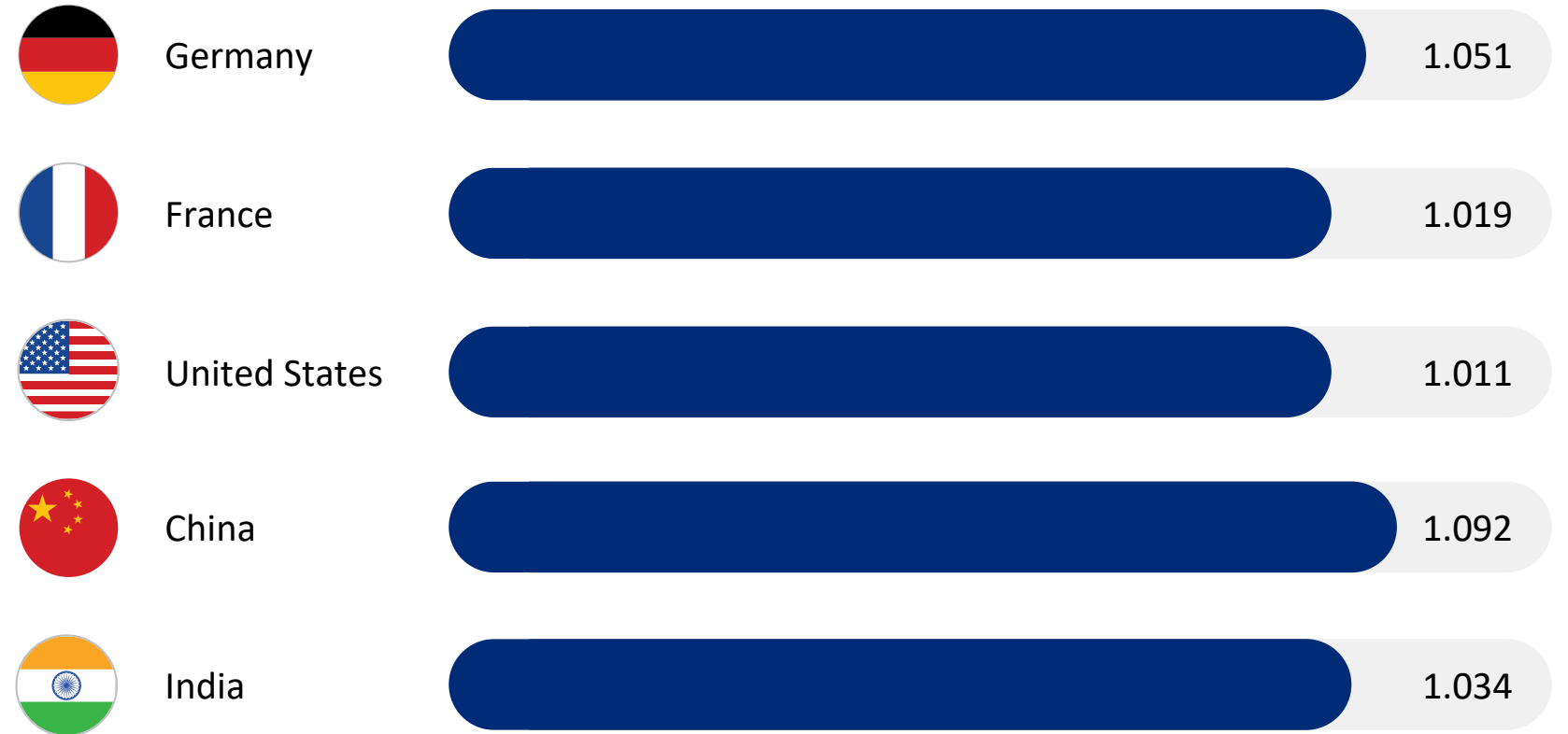
THIS STUDY WAS CONDUCTED IN AUGUST 2022

Joint study by gfu and
Oliver Wyman

Representative online
consumer survey, conducted
in 5 countries

Conducted in August 2022

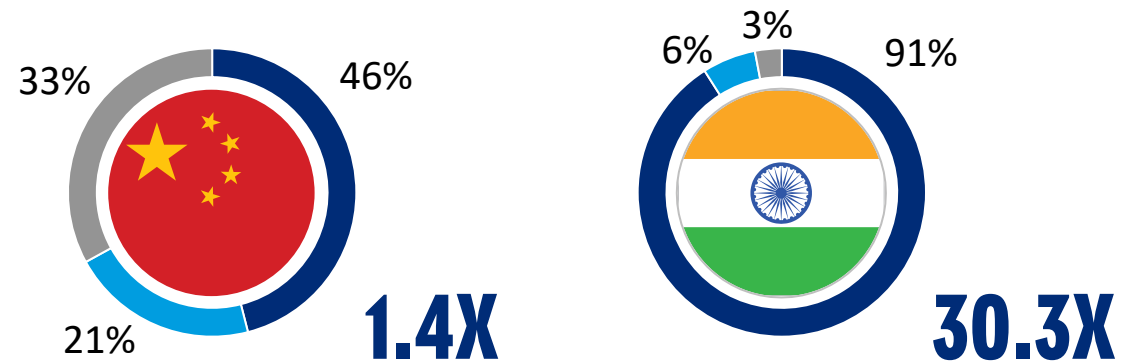
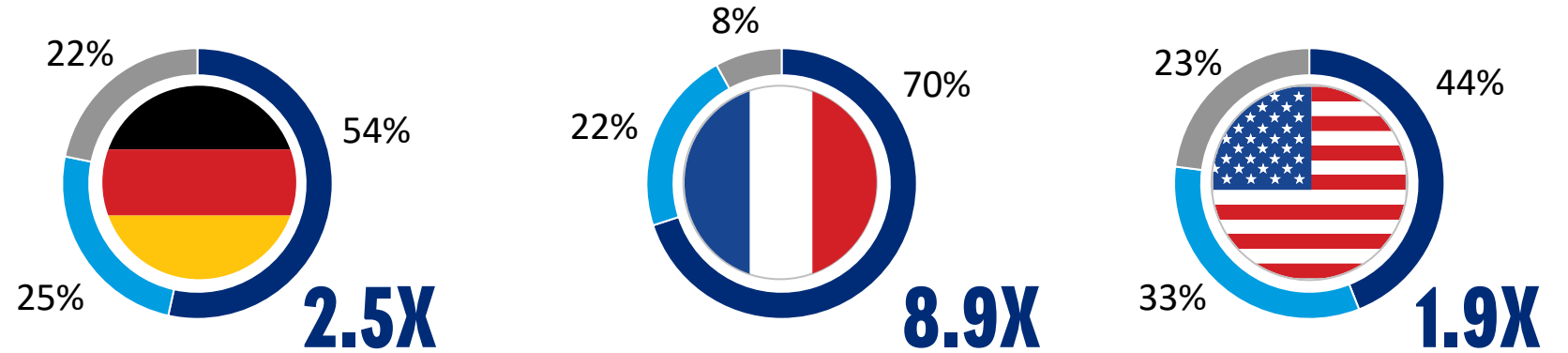
Sample size by country



"I believe, our world today is too globalized"

TODAY, GLOBALIZATION IS VIEWED CRITICALLY BY MANY CONSUMERS

But: substantial differences
between countries



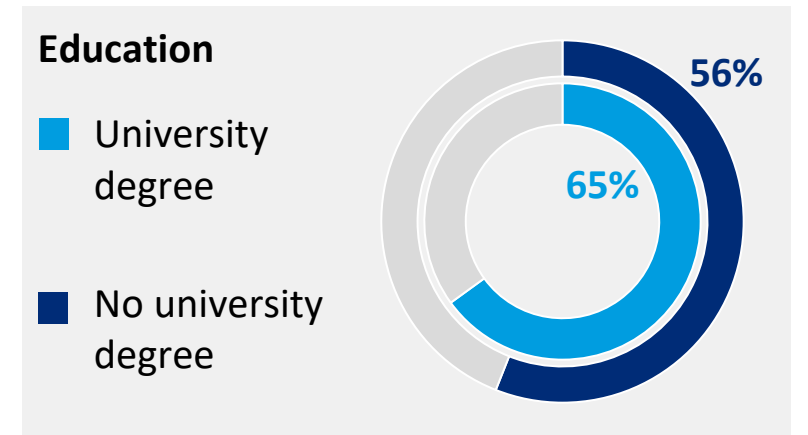
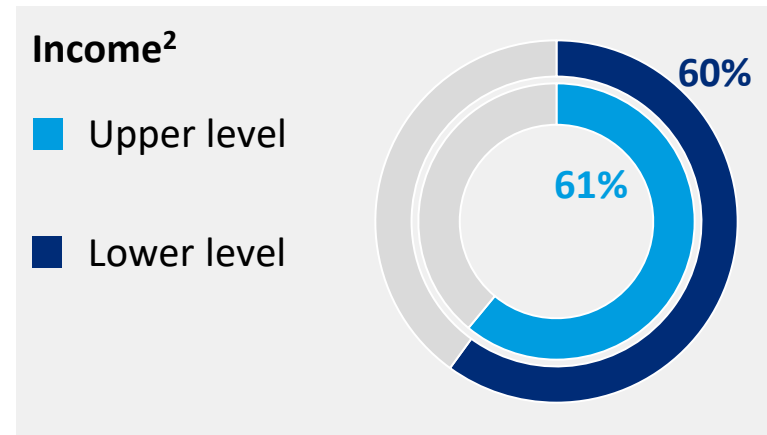
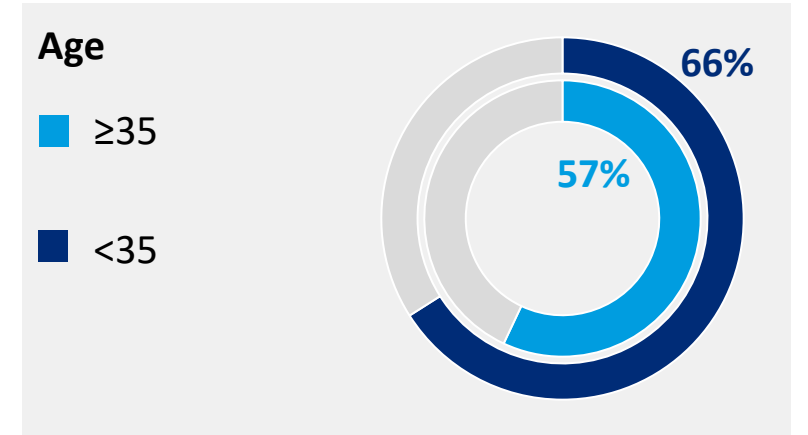
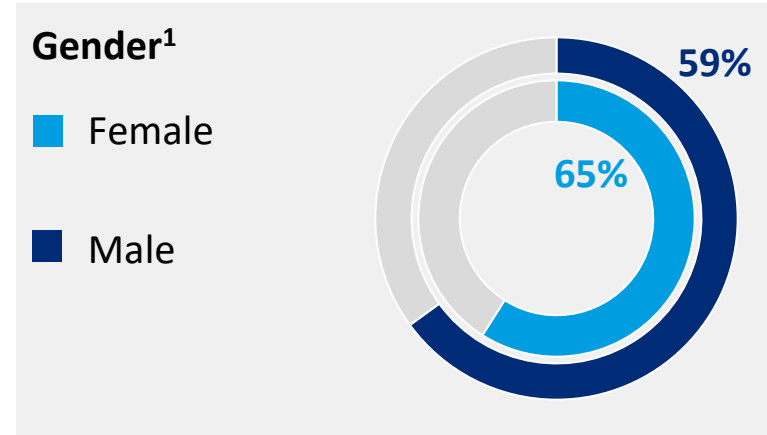
■ (Fully) agree ■ Neither ■ (Fully) disagree

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”



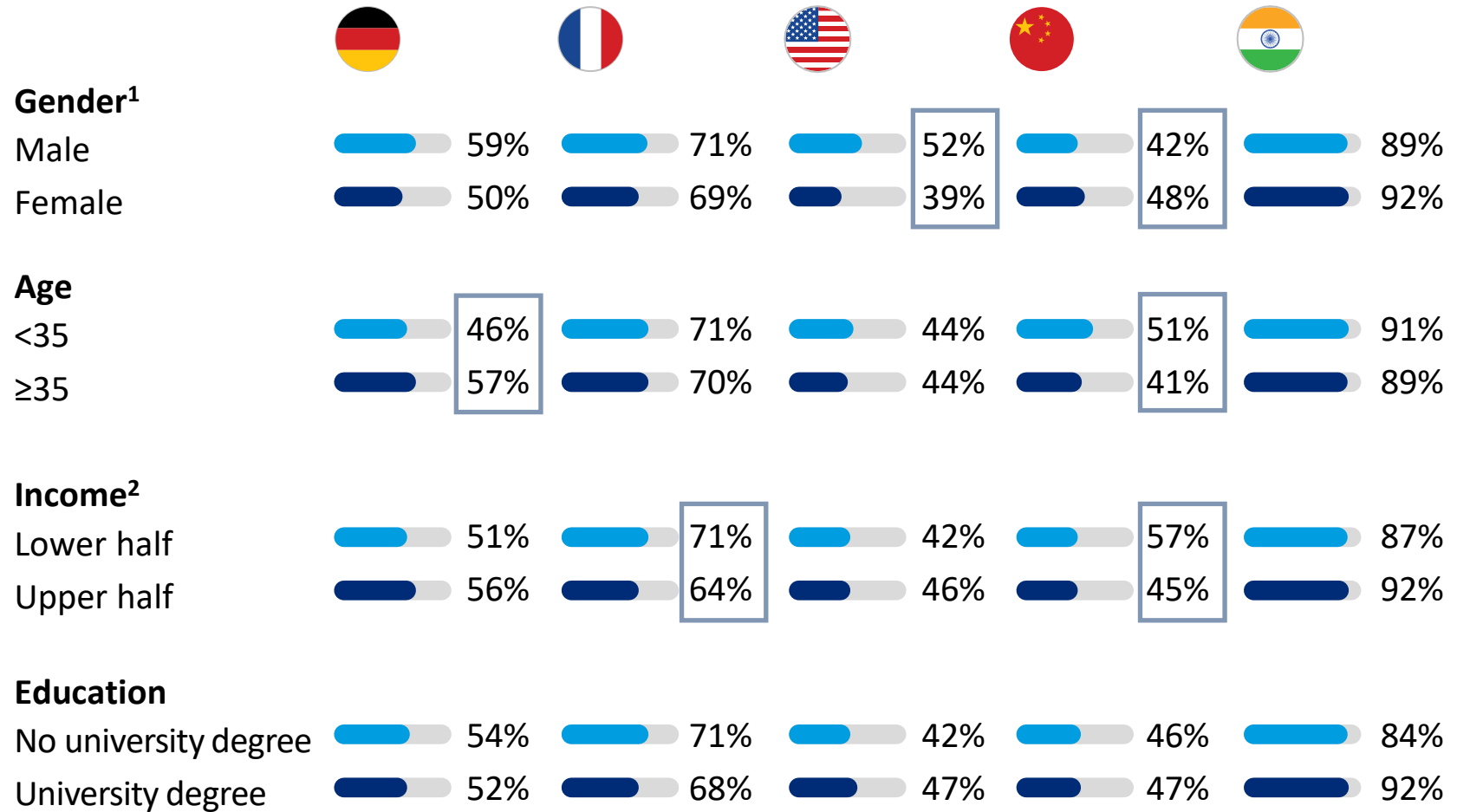
1. Too low n for non-binary respondents; 2. Income clusters vary by country, threshold is set to create 2 similar-sized clusters
Source: Oliver Wyman Consumer Survey 2022, n=5,207; 1011-1092 per country

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DIFFERENT PERSPECTIVES ON LIMITATIONS OF GLOBALIZATION

Fully disagree ← not sure → Fully agree

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



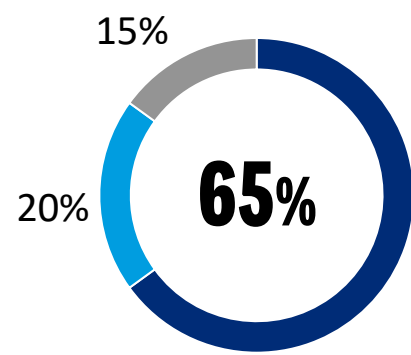
*Globalization has a negative effect on **sustainability and climate protection***



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

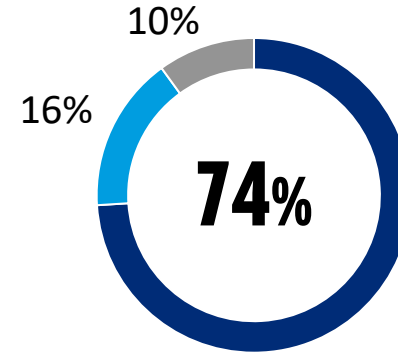


RECENT CRISES HAVE INCREASED CONSUMERS' AWARENESS FOR THE ORIGINS OF THEIR PRODUCTS



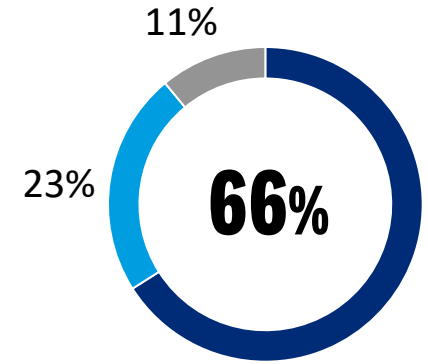
DOMESTIC BRANDS

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

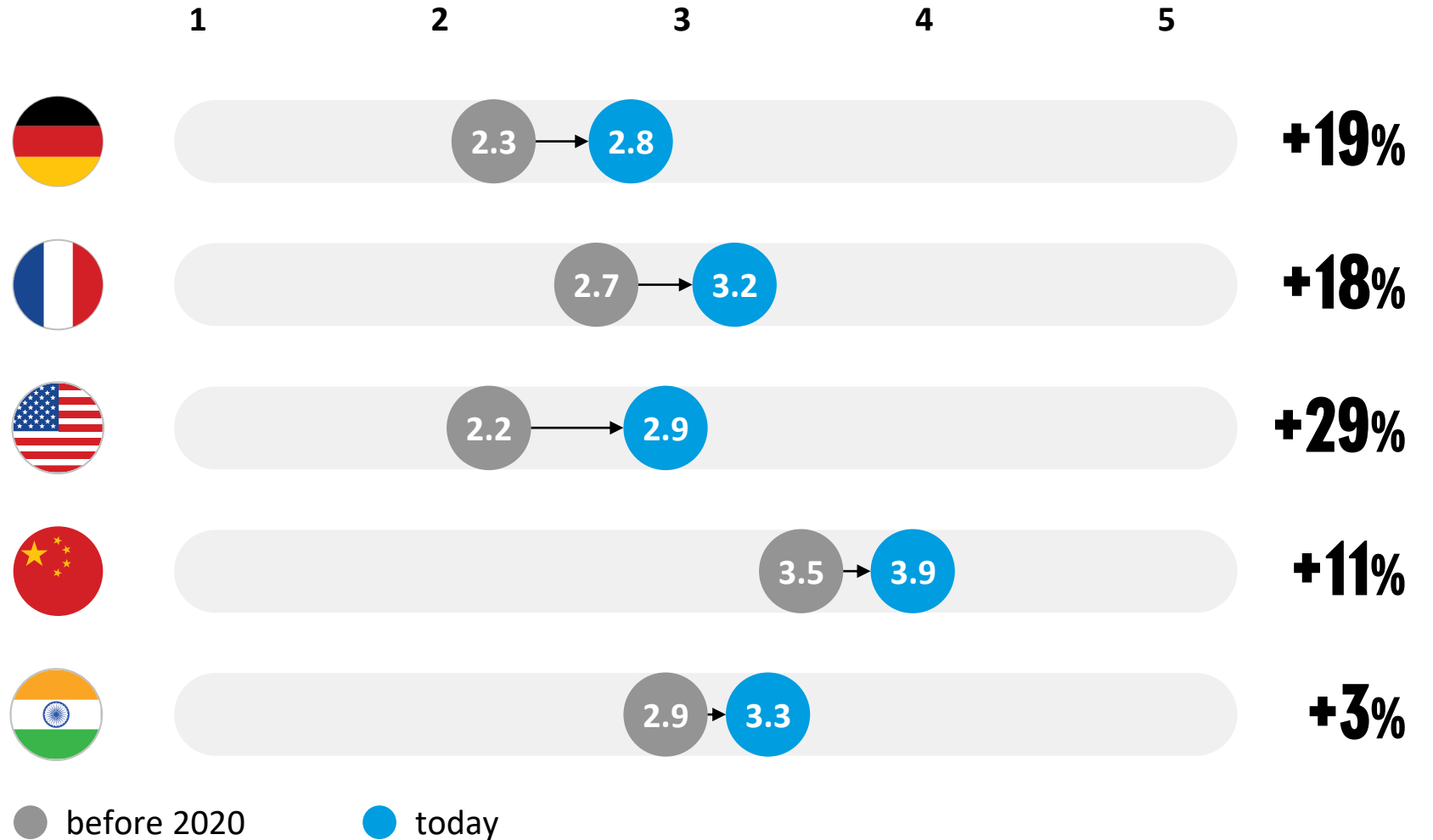
Source: Oliver Wyman Consumer Survey 2022, n=5,207; 1011-1092 per country

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



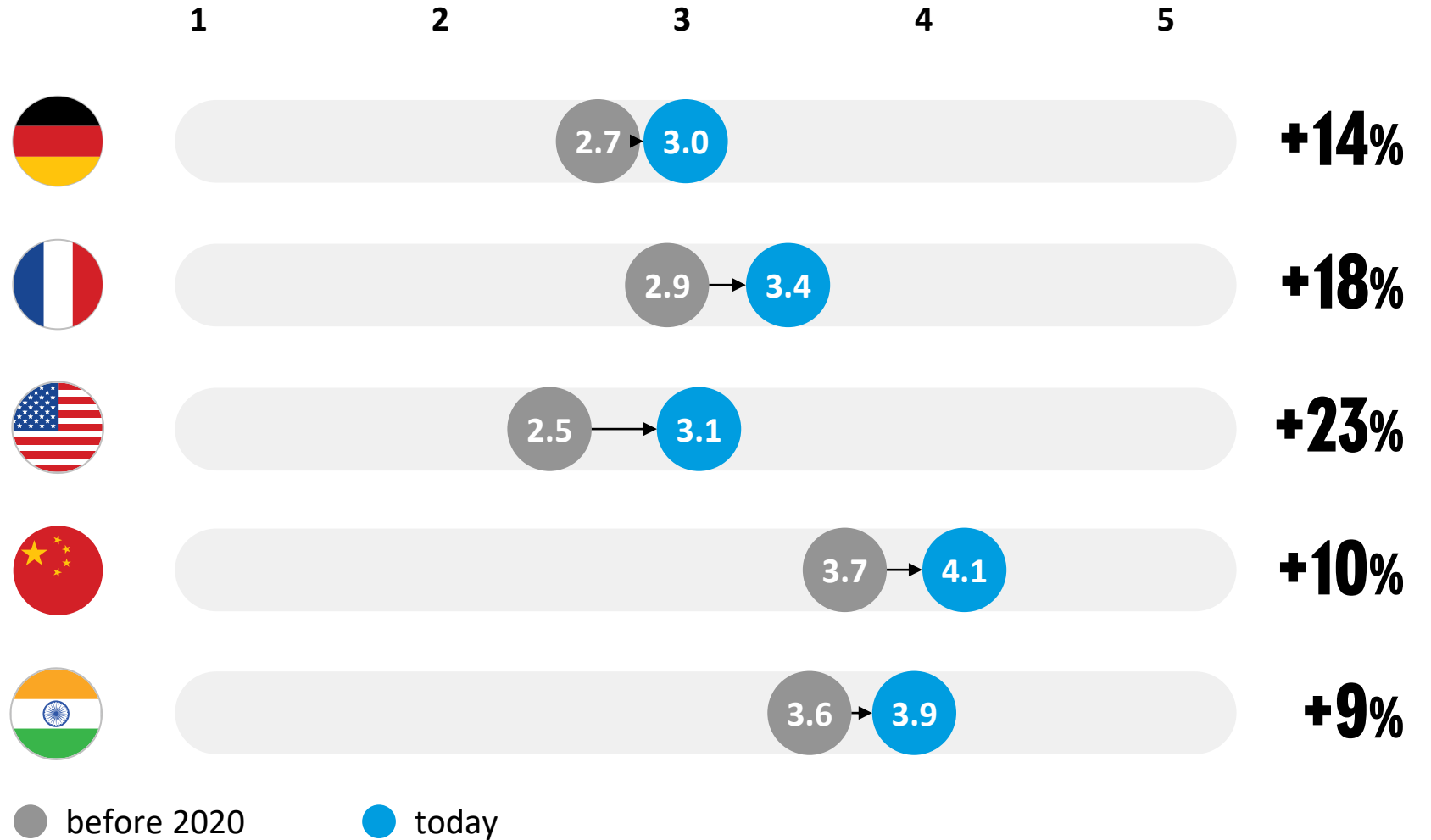
Source: Oliver Wyman Consumer Survey 2022, n=5,207; 1011-1092 per country

... 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



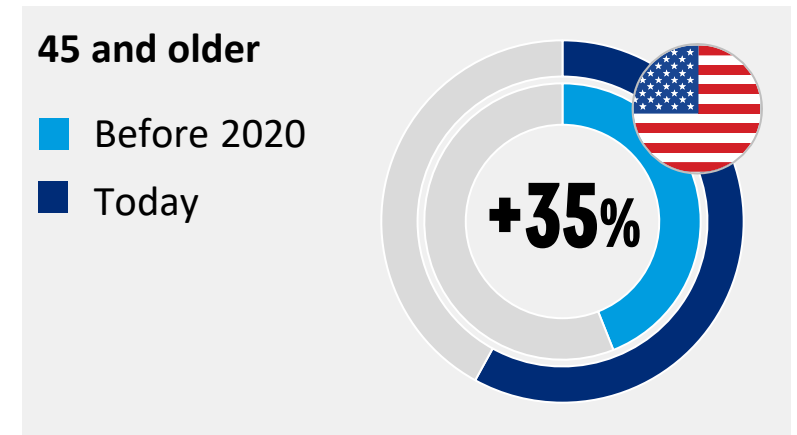
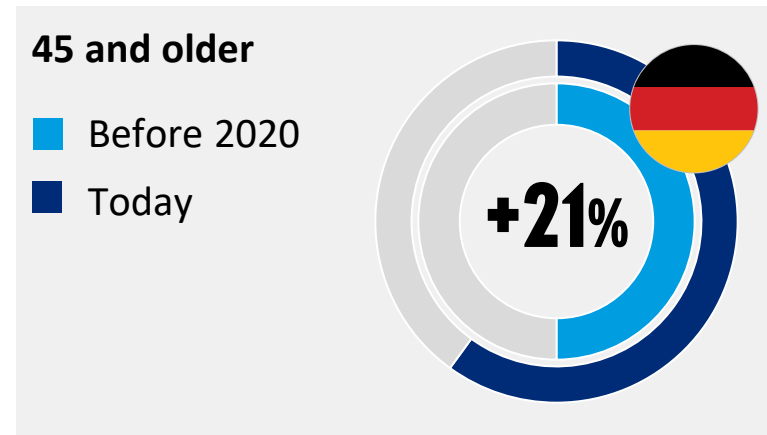
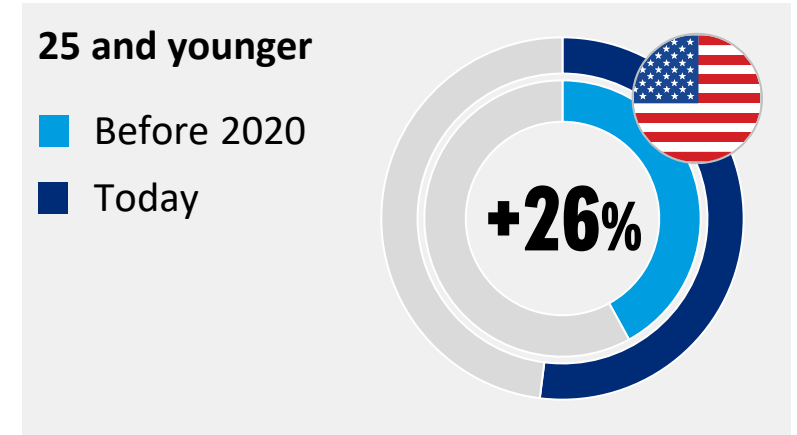
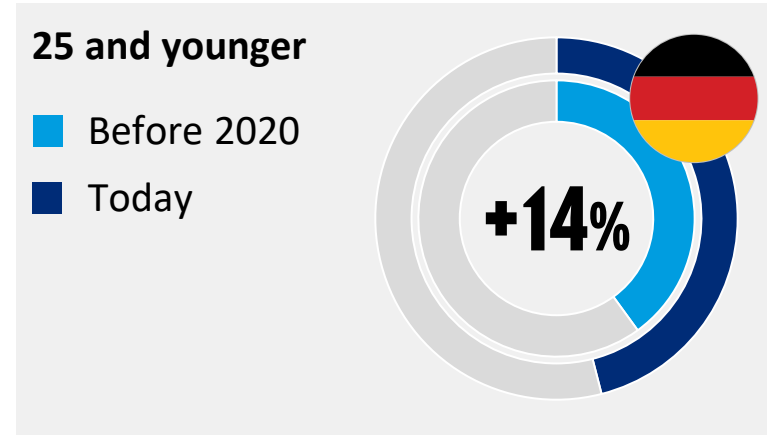
Source: Oliver Wyman Consumer Survey 2022, n=5,207; 1011-1092 per country

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"

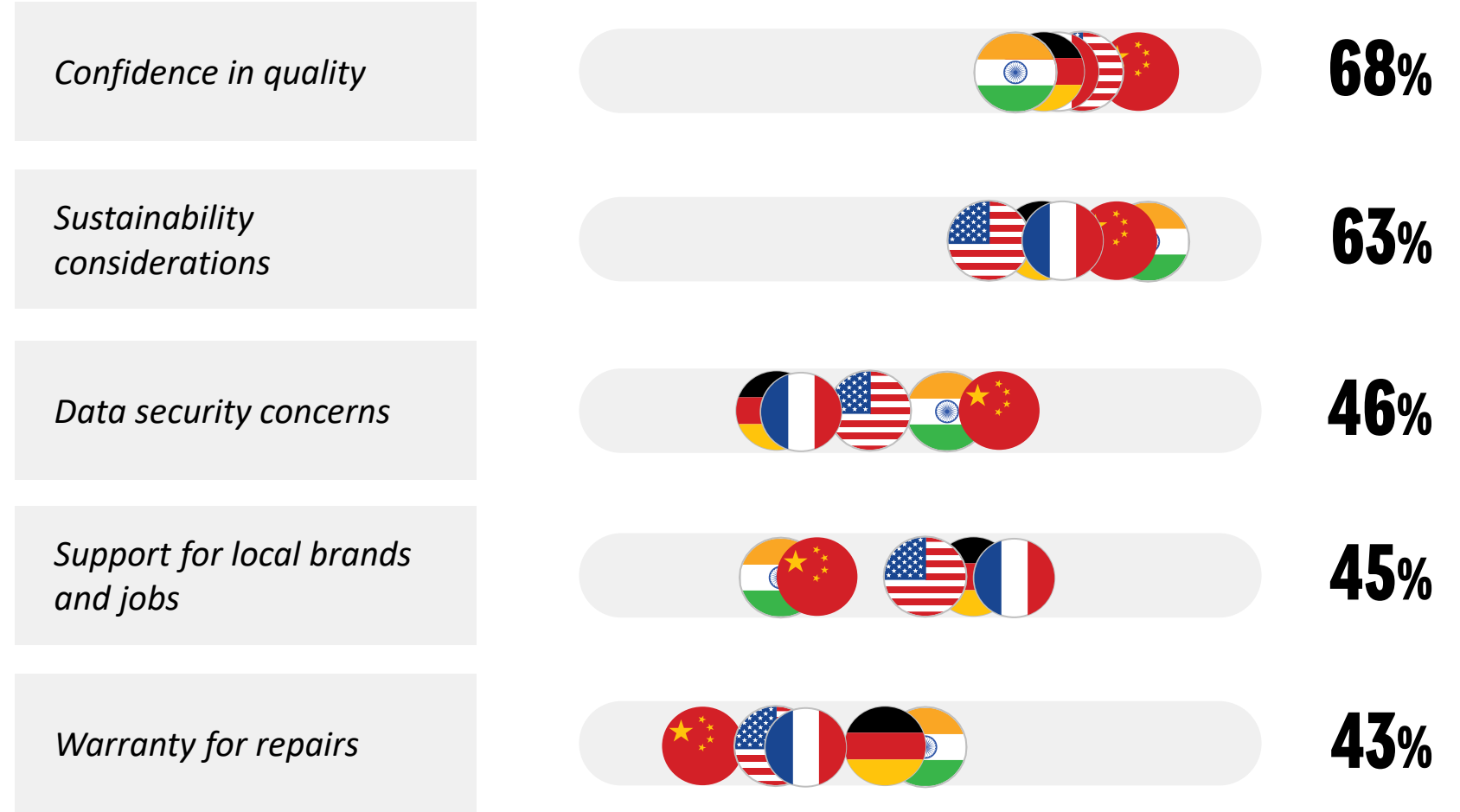
Share of "(fully) agree"; 1 = not at all, 5 = very much



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!

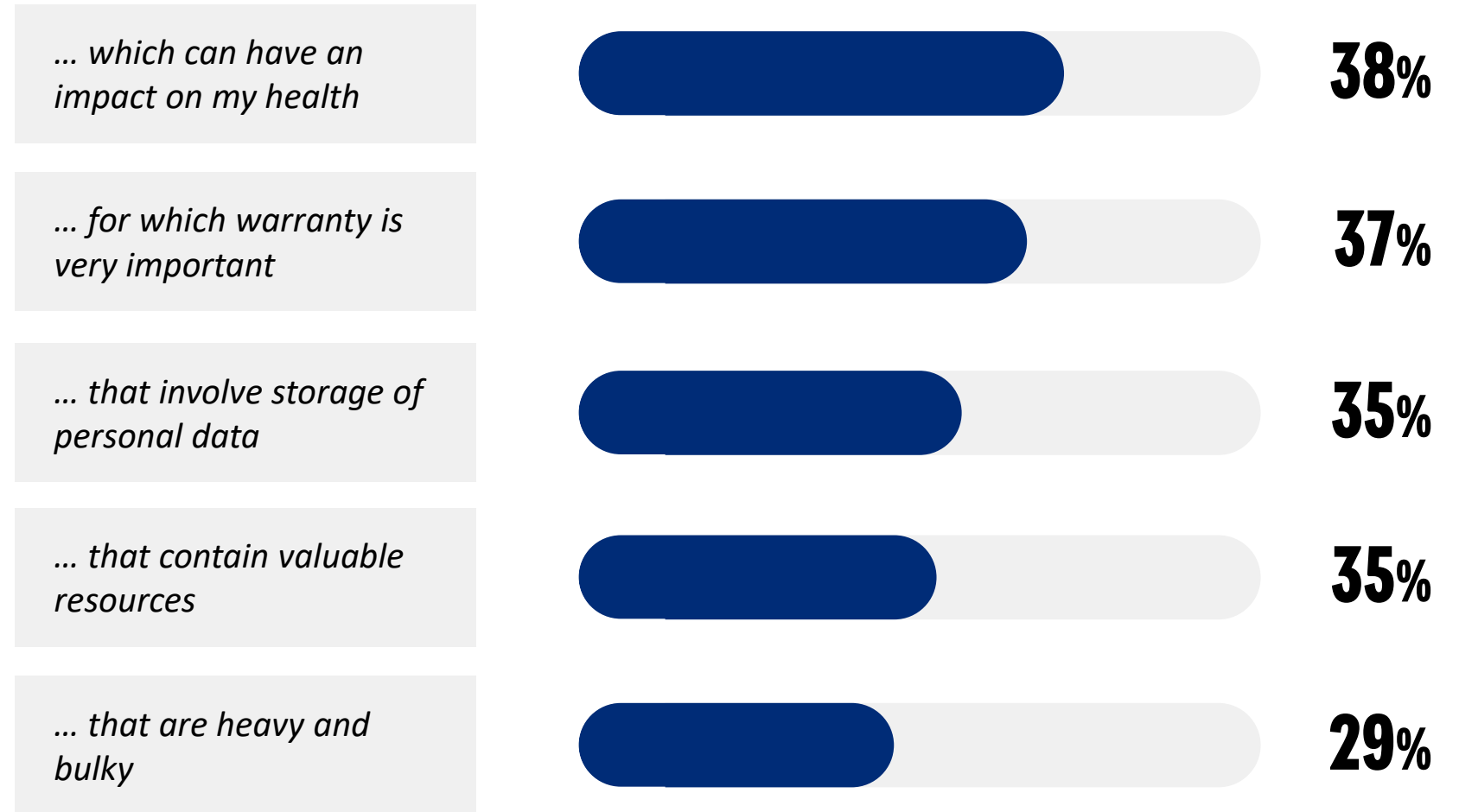
I have started to take into consideration how a company behaves, whom they support politically and how they react during global crises

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**



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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