BOYCOTT INTELLIGENCE AND THE INDIAN CONSUMERS

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Abstract- Consumer boycott can be stated as a process of initiating resentment by consumers towards business companies or nations for voicing to refrain from using or consuming certain products and services .In this process consumers always express discontentment on some particular violation of cultural, social or ethical norms, communicated in a verbal and non - verbal manner. Any act of boycott requires solidarity of a section or group of masses which can have an impact on both micro and macro levels, according to chambers 20th century dictionary a consumer boycott is to shut out from all social and commercial intercourse: to refuse to take part in, deal with, handle by way of trade etc." The purpose of this paper is to highlight the emerging features of consumers boycott actions refraining from using certain products and services especially in India and find out the eminent reasons behind such actions in the market place With India being a High context culture nation the early history also depicts the initiation of 1857 mutiny and the boycott of British goods through Civil disobedience movement by Indians primarily because of negligent violation of Cultural and social hindu norms by ruling colonial British rulers The paper attempts to explore the significance of consumer boycott and its association with Indian consumers. How boycott issues are associated with Indian consumers and what set of norms and beliefs ignite boycott actions among Indians. The final purpose will be towards developing a business model or an early warning system that can help foreign companies to avoid boycotting situations for their products and services in Indian market

Keywords- Boycott, boycott, Surrogate, effectiveness.

I. INTRODUCTION

Most of the consumer boycotts happen worldwide because of consumer intolerance and antipathy towards the product or services catered in the market place along with the targeted manufacturer market image ,Exploring the Indian consumers boycott we can take the example of several pre independence movements such as Civil disobedience movement of salt satyagraha and the spinning of charkha wheel among the Indian masses against the ruling colonial British policies thru non violent strategies. The voicing indians protested against British dominion for several years boycotting their products by attempting to make their own salt and boycotting Brtitish textiles by introducing of indigenous charkha spinning technique by Mahatma Gandhi The basic development of consumers boycotting in India towards various products and services can also be understood by the fact that India has a huge segment of multicultural and diverse religious segment of population where many of the states in itself are equivalent to foreign nations. Natives of one state are ,still alien towards natives from other nearby states especially in the interiors of the remote state villages, the diverse demographics make it very hard for Indians to unify for a common cause without really understanding the effects of many faulty products and services before actually the harm is done. .The poor infrastructure bottleneck hinder immediate marketing communication channels for any product or service improvements providing little room for attending to customer complaints and rectify on consumer grievances leading to a boycott uprising eventually.

The Indian history is replete with instances when people have used boycott as an ultimate weapon of protest in asserting their rights or in fighting for a cause., in the current india mostly consumer boycott has flared up within communities and caste at micro levels rather than converging whole population at the macro level bringing national solidarity, the examples been [1] boycott of pepsi and coke by Mumbai based muslims to protest against Israelis Gaza killings as a group of Muslim restaurant owners in Mumbai have boycotted American colas such as Coca-Cola and Pepsi, in protest against United States support of Israel during its recent attacks on the Gaza Strip.The restaurateurs belong to the Chiliya community of Muslims, whose origins lie in the state of Gujarat and who run hundreds of eateries in Mumbai1,[1] also at times small boycott of parliamentary sessions by opposition parties to express resentment over some debatable social issues have also occurred Exploring further it can be stated that micro level boycott is mostly business entity based ,for example European boycott of Shell as a result of its plan to sink the Brent Spar oil platform at sea (Klein et al., 2004), the boycott of Starbucks which was triggered by a remark made by the company CEO and the boycott of amazon.com because of jerusalem post an Israeli news-paper was giving portion of its profits from its partnership with Amazon.com to Israeli soldiers (Armbruster, 2002).

most studies have focused on micro-boycott such as Garrett (1987), Friedman (1995) and John and Klein (2003). While Macro level boycott is ignored, these are based on Government policies and reforms mobilizing national population like boycott of Danish milk products by middle eastern nations due to cartoons of prophet Mohammad published in a Danish daily These boycotts may become surrogate and non surrogate A Surrogate boycott is the one that

targets outlets not the originators while non surrogate is reverse

II. OBJECTIVES

To understand the concept of boycott and the indian consumer experiences.

To understand and overview boycott incidences of Indian origin
To attempt to suggest precautions for MNCs in avoiding a boycott situation for their products and services in India

III. LITERATURE REVIEW

consumer boycott is defined as "an attempt by one or more parties to achieve certain objectives by urging individual consumers to refrain from making selected purchases in the marketplace" (Friedman1985,97). Consumer boycott is also described as the refusal to conduct market transactions with the boycott target (Garrett 1987). Though most studies have focused on micro-boycott such as Garrett (1987), Friedman (1995) and John and Klein (2003)., Baron (2002)considers that the action of boycotting consist of some consumers who provide information to the other citizens about the seriousness of a situation. Boycotting is also said to constitute a way for consumers to signal their private information by Diermayer and Van Mieghem (2005) who describe coordination between boycotting consumers as a stochastic process with threshold effects. Consumer boycotts are also described as a form of anti consumption behavior, where boycotters are market activists who forgo the consumption of certain products and services because of environmental ,political, ethical, or social issues (Chatzidakis and Lee 2013;)

IV. METHODOLOGY

The paper is an exploratory and descriptive study on the basis of secondary data. It is descriptive in nature and contains the combination of qualitative analysis primarily of various secondary sources which have been mentioned at the list of references

V. EXPLANATION

<u>To understand the concept of boycott and the issues of indian consumer experience:</u>

world over most boycott movements have been fueled by increasing public attention to corporate social responsibility (Klein, Smith, and John 2004) and are often used as one of the most effective consumer actions against companies that engage in practices deemed unethical or unjustified (Friedman 1999).

Generally boycott has been studied in the western nations of US and UK from early 19th century, the United states montogomery bus service boycott for racial discrimination and the exploitation of Irish farmers in early 20th century highlighted the exuberance of boycott power in US where people across the nation displayed solidarity and raised voices against Government racial discrimination and unequal labor laws

world over boycott has been used as weapon of masses to raise voice against Government or private corporations to mend them pay heed to the blunder acts committed and rectify them respecting the emotions of the suffering party A boycott may occur when boycotters feel that their well-being or a third party's well-being is threatened by egregious behavior (Friedman 1991)

normally in a boycott there are two parties the primary party that has caused a boycott to trigger and the secondary party that is experiencing organizing the vociferous resistance either at individual or social levels.
the reasons can vary between different consumers if some one is participating in because of direct usage experience the other participant may only participate to support and voice their agreed consent casting indirect social support for a basic ethical reasoning
Though most of the boycott will cause financial losses but primary reasons differ ,these consumer boycotts have been of different magnitude some have been social,(society based) Economic (business based) or political (politics based) if the boycotts originated because of caste, race and religious discrepancies can be termed as social reasoned boycott Boycotts that result into business contract cancellation and financial losses can be termed as Economic boycott while parliamentary boycotts or national protest or human rights violation issues that cause a boycott can be termed as political in nature.
As mentioned individual consumers can have different reasons leading to participate in the Same boycott. According to eminent writers some consumers may be primary sufferers but some may support because of long term effects , if some individual consumers support a boycott because of immediate serious consequences some may support because of minor reasons not so immediate
These reasons can be major for direct parties or minor for miscellaneous supporters
For instance the boycott of Dow chemicals from entering India consisted of people who were victims of environmental contamination in Bhopal and also supporters who indirectly cared for the environment of their state by not just being a direct victim.

Currently pakistan face a considerable opposition in India because of national and political animosity with India and have faced boycott of Pakistani goods by

certain sections of the Indian consumers This can be further linked to religious animosity as India has predominantly hindu population in majority having different set of religious practices and beliefs compared to Islamic nation. Futile geographical disputes too of common boundaries have also occurred between the two nations strengthening animosity and the feelings of antipathy

Exploring further the mindset of individuals grouping to boycott still will have varied circumstances, attitude and perceived behavior control leading to a varied reasoning for the same boycott, if one individual has a reason of urgent rectification or corrective measure required immediately the other individual of the same participating group may participate in a boycott merely to stay connected with community group he is dwelling with if one participating individual perceives boycott as a minor act because of several other options available for immediate rectification the other individual may feel it as a major act since the product may have offended his values and belief intensely

Components of a boycott:

Major components of a boycott can be stated as

a) non- cooperation by a disagreeing individual ,that is buycott

b) mutual building up of reasons between individuals and group members leading to a boycott

c) Uniform Collective conveying of antipathy feelings and emotional outburst by communication of erroneous issue involve

d) Use of media to voice in an effective audible manner, ie same mass objectives with mutual sharing of physical exchanges.[2]

As mentioned the Indian consumers lack solidarity due to extreme fragmented society and varied culture within its geographical boundaries and any boycott lacks full national effectiveness and solidarity .because of varied differences in culture between various states having huge population base thus the boycott intensity contains more of culture component issues than national issues

To understand & Over view the boycott incidences of Indian consumers:

India in the last couple of decade have experience various boycott of different types all around the country the micro level boycott dominated certain political and cultural issues across different states of India. With political boycott of parliamentary session by the opposition parties in capital parliament the nestle India product maggi also faced boycott on health issues at macro levels,[3] the country witnessed some social boycott of dalits lower caste citizens at state levels in Gujarat which prompted national government to pass an anti social boycott bill to discourage social boycott of natives on the basis of caste and color.[3]

The nation experienced pragmatic pre independence boycott at macro levels when the ruling Britishers faced civilized protest in India through the weapon of boycott and civil disobedience. First, cloth produced in Manchester was boycotted and people in large numbers turned to home- spin cloth. Later, salt produced by factories was boycotted as the British introduced a new tax. In protest, people started collecting salt from seashores. Whenever people have found themselves pushed to extremes they have used boycott to register protest against that which infringed their rights.

[2]In 1930, following the British imposition of tax on salt, Gandhi began his Salt Satyagraha, calling upon the Indian people to refuse to pay unjust taxes, such as the one on salt. With thousands of Indians following, he marched with Dandy by the Arabian Sea, where the marchers made salt by evaporating sea water. Gandhi was arrested again and was released in 1931.

Gandhi's strategies for achieving independence whether it was the Quit India Movement, or the Swadeshi Movement, or the Salt Satyagraha, differed from other freedom movements as they offered each Indian a chance to participate in the boycott in his/her own sphere.[2]

Some small incidences of boycott activities in India recently happened like Boycott of awards and bollywood movies on the issues of intolerance in India debate and

Boycott of payment of hiked power bills by farmers in Jaipur due to bad crop season of draught etc. this depict a picture that Indians take boycott as weapon of masses in dictating terms or raising protest to highlight in media against any product or service using a pressure of group solidarity and community hue

Mostly boycotts are based on PESTLE factors too, boycotts can be based on factors related to politics Economics, Society, Technology, legal issues and Environmental factors, the parliamentary boycotts by oppositions can be stated as political by nature, almost all the boycotts have Economic implication for example the pre independence boycott of British textiles and salt crippled British exports and economic condition. The social factor based boycotts in India have been lately caste and community based issues, for example the boycott of lower class dalits in the state of Maharashtra or the boycott of American products Pepsi and coke by Muslim communities in Mumbai due to support by US to Israelis against palaestinians can be of such issues

The boycotts based on erroneous food technology like [4] Maggi noodles boycott by Indian consumers due to harmful food ingredients can be stated as

wrong technology based boycott of food processing practices by the Indian consumers of company Nestle and the boycott issues related to health hazards[4] while environmental hazards such as animal rights, pollution of natural resources etc can be classified in as boycotts of environmental based reason, In India from time to time such boycotts have erupted into issues of major and minor reasons, Boycotts in India also occur between international Governments too for example [5] India announced that it has issued a boycott on six weapon manufacturing firms for a period of 10 years, including the Israel Military Industries Ltd, following their alleged involvement in a corruption scandal exposed in 2009, The list also included Singapore Technologies Kinetics Ltd, Switzerland's Rheinmetall Air Defense, Russia's Corporation Defense (CD. This was primarily due to the unethical standards followed by companies in bribing out previous Government officials [5]

To attempt to suggest precautions for MNCs in avoiding a boycott situation in India

From the above mentioned illustrations Indian consumers can be easily said to be consumers who are extremely meticulous about culture and social issues followed by environmental awareness, boycotts also occur between National Governments too as mentioned above

As mentioned India is one of the most rich and diversified culture based nation in the world which is contrary to the uniform culture based Western nations and Islamic countries. Not only the culture component changes but the extreme Geographical disparities also influence product and services demand, it must be also kept in mind that multi political party system also influence ruling states with differences in political ideology. Certain states have also got favorable business conditions while certain other states have extreme adverse business infrastructure bottleneck. The following model can be understood by businesses operating in India to grasp the issues that can lead to a boycott eventually. Almost all types of boycott result into disruption of sales and deterioration of brand image for products and services which can be minimized if following model can be applied during early stages for avoidance of boycott issues.

[Primary causes --------- Animosity---------- instrumental/non instrumental responses ------- media------- Boycott]

Refer to the above model illustrates that there are primary causes which are mostly socio cultural based that develop a feeling of animosity among consumers leading towards a state of responses which can become instrumental or non- instrumental, the instrumental responses look for wide publicity through media and social groups support converging into a full boycott detrimental to corporations products and services and over all brand image. If somehow corporations can avoid all those issues which can lead to animosity among local natives, a full scale boycott can be intercepted successfully

CONCLUSION

To conclude it can be stated that extreme cautions must be exercised by corporations in launching and implementing new business ideas and products with in the Indian market, in addition to quality and service ideology of the product and service must match the target consumers segment and cultural belief, in this era of globalization and speed communication satellites Consumers can create change if they work together in large numbers. A single person, taking a stand and creating a personal boycott can start the process of change.[6] when numerous like-minded conscientious consumers join a cause, work together and convince others, companies can be forced to change their behavior, which becomes very sensitive and expensive for commercial enterprises when united, thousands of personal boycotts have the power of an organized boycott. And organized boycotts have changed the conduct and actions of global companies. When companies are confronted with the negative publicity and loss sales created by large numbers of personal boycotts, they will be highly motivated to change their actions.

A single person with a great idea can change the world.

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