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THE INTERNATIONAL ADVANTAGE

U.S. RETAILERS MIGHT BENEFIT FROM A BOOST TO THEIR STORES' IMAGE BY CATERING TO WORLD-MINDED CONSUMERS

ARE YOU MORE apt to think favorably of a grocery store that carries Vegemite, digestive biscuits or wasabi paste? If you're a world-minded consumer, you very well might.

The global marketplace is growing, and U.S. consumers are logging more and more miles traveling to points far and wide, eating, shopping and experiencing international cultures. Therefore, many U.S.-based grocery stores can improve their store image among world-minded consumers by creating an imported foods section stocked with international brands, according to recent research. And experts say other retailers should take heed, as this concept might be more broadly applicable to other stores and shops catering to well-traveled clientele.

Consumer world-mindedness encapsulates an individual's interest in, openness to and adoption of products, services and ideas from foreign areas and cultures, says Susan P. Douglas, a professor of marketing and international business at New York University's Stern School of Business. "Essentially, it's someone who is willing to

try and experiment with new and different things from other cultures and countries, even if [he is] not familiar with them. This may include trying strange things when in another country, [like] frogs legs in France or ducks beaks in China, but more importantly it is an openness to the unfamiliar."

Douglas joined Edwin J. Nijssen, a professor of marketing at the Eindhoven University of Technology in the Netherlands, to author "Consumer World-Mindedness, Social-Mindedness and Store Image," a study that appeared in the **American Marketing Association's** *Journal of International Marketing* last September. They surveyed shoppers in a major city, a mid-sized regional city and a small village in the Netherlands—a country with a high level of foreign trade and openness to other cultures—to assess how consumers' world-mindedness and concern for social issues affects how they perceive stores that stock imported goods.

After analyzing consumers' perceptions of natural beauty products retailer The Body Shop, fair-trade stores and a grocery store with an imported food section, Douglas and Nijssen found that while consumers' world-mindedness is strongly related to a favorable image of all three types of stores, it is related most strongly to favorable images of grocery stores that stock a section with foreign brands. "The increasing consumer awareness of and openness to foreign brands suggests that retailers should both stock authentic foreign brands and place them in a separate section devoted to imported products to draw attention to them and highlight their authenticity," Douglas and Nijssen wrote.

However, just because a store is perceived favorably for its international offerings, its image might not directly impact whether or not consumers patronize it, Douglas says in an interview. "Based on our research, we can't conclude that there is a link between store image and store choice, since we didn't look at that issue, although this is a reasonable assumption and there is evidence that retailers work on their image as a means of attracting customers."

Store image certainly has a spot in the ranks of other key store attributes such as location, variety and price that determine

store choice, says Robert Rosen, a senior vice president at global market research firm Research International, based in Chicago. "I certainly think that grocery store image plays into store choice. There's no question about that," he says. "I think there is a very high correlation."

Many U.S.-based grocery store chains, such as Austin, Texas-based Whole Foods Market Inc. and Rochester, N.Y.-based Wegmans Food Markets Inc., offer international brands and position themselves as world-minded retailers. And their stores certainly seem to be favorably perceived by world-minded consumers, Rosen says. Whole Foods declined to comment, citing competitive intelligence issues, and Wegmans did not return a request for comment.

Grocery stores and other retailers considering whether the addition of international products to their shelves would boost store image—and would thus prompt more customers to visit—should simply turn to customer research, says Lynn Dornblaser, senior new products analyst at Chicago-based global market research firm Mintel International Group. "Major retailers have a good handle on [consumers'] time and what they do." To assess how world-minded its target consumers are, all a retailer would have to do would be to ask about their travel habits, Dornblaser says. Especially in more urban areas populated by large immigrant populations, as well as younger, well-traveled consumers, retailers might find that they risk being perceived as parochial if they don't stock imported items, she says.

Two local grocery stores in suburban Chicago that Dornblaser visits increasingly have begun to carry more international products, she says, and the selections are skewed to reflect the area's residents. On one end of town, the grocery store carries more Indian products to serve the neighboring areas' Indian consumers; on the other end of town, the store stocks more Mexican goods. By carrying imported goods of interest to their customers, the retailers are proving that they're listening to their customers' interests and needs, she says, which is a direct and potentially profitable image-booster. **m**

