

ABSTRACT

BUILDING COMPETITIVE ADVANTAGE IN BANGLADESH'S FMCG SECTOR – THE PERSPECTIVE OF CUSTOMERS

Patricia Orelly

Bangladesh has been showing positive economic development for some time, making it more attractive for international companies to expand into the FMCG sector. In order to be successful, it is important for foreign companies to build up a competitive advantage and clearly differentiate themselves from their competitors.

The purpose of this dissertation is to explore and determine the characteristics and aspects that influence the building of a competitive advantage in the FMCG sector. The focus is on the impacts of the national cultural values, ethnocentrism, brand and other competitive instruments as well as competitive strategies.

The research method used is a quantitative study (face-to-face interviews) on the sample of $n = 100$ consumers aged 18-55 years. The study was conducted in Dhaka, the capital of Bangladesh, in September 2019. The questionnaire included questions concerning the competitive advantage, the ethnocentrism, the cultural values, the requirements regarding a brand and the instruments of the competitive advantage.

Results: The most important cultural values from the perspective of consumers in Bangladesh are harmony, respect for tradition and success. In addition, ethnocentrism is pronounced, and most consumers currently tend to buy domestic products. Furthermore, the consumers in Bangladesh prefer brands that position themselves through differentiation and define themselves through quality. It should also be noted that there are differences in the preferences of women and men.

Conclusion: Companies looking to expand into Bangladesh should be guided by the cultural values of harmony, success and respect for tradition and should represent these values for building the competitive advantage. Moreover, due to the importance of ethnocentrism among Bangladeshi consumers, a competitive advantage should be built on local resources, while emphasizing the high quality of products and applying a differentiation strategy.

Keywords: competitive advantage, competitive strategies, competitive instruments, ethnocentrism, national culture, Bangladesh, FMCG