

Brand Trust and Quality Perception in Local vs. Branded Product Preferences: Evidence from Indian Consumer Survey

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Abstract- The present study explores how one may distinguish between brand trust and quality perception when evaluating local and branded products in India. It is based on a primary research survey that gathers information from 60 respondents by means of structured Likert-scale questionnaires. The research tests hypotheses about the relationships of brand perception to quality expectation and purchase preference. It also looks into the changes in brand trust and quality perception that are related to local brands or to national ones. Such a comparison between the consumer trust in local versus national brands helps in deeply understanding the consumers' buying decision behavior, which is of utmost interest to the business organizations, policymakers, and the researchers as well. The results illustrate the existence of a significant quality perception gap in favor of branded products (72.2% associate high quality) and that a significant trust differential (56.7%) indicate trusting branded products more) exists. Despite this, local products continue to have price perception advantages (56.7% perceive as reasonably priced) as well as a community support recognition (61.6% acknowledge local economic benefits).

Keywords: Brand trust, quality perception, local products, branded products, consumer behavior, India.

I. INTRODUCTION

The food and beverage market in India has deeply changed during the last ten years. More people have got higher incomes and easier access to stores and more products have been made available thus a great number of consumers have been getting used to the fact that they have to make a choice between local products and branded products. These purchase decisions imply a complicated choice of trade-offs between price, quality perception, brand trust, and social considerations. On the one hand, local entrepreneurs and craftsmen need brand that are based

on solid evidence to successfully compete against well-known brands. On the other hand, brands should be given a real picture of customers' demands in order to be able to keep up with the trend. Moreover, government regulators have to base their decisions on real data about consumer behavior when they plan to support local industries. Last but not least, scholars need primary data in order to deepen consumer behavior

knowledge. Such a study is an answer to the above question because it provides a detailed analysis of the survey results concerning questions about brand trust and quality assessment when comparing local and branded products. This paper is also a response to the research question posing the magnitude of the quality perception gaps, the extent of trust differentials, and the factors influencing consumer preferences.

II. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

Brand Perception and Quality Signals

Brand perception denotes consumer mental impressions taking into consideration the products based on the attributes like brand names, packaging, marketing communications, and the overall experience. Studies show that brand perception is a phenomenon that is mostly independent of actual product quality. Consumers often think that branded goods are better even if local and branded products have the same features. The term "halo effect" in consumer psychology is used to explain this.

Companies with strong positive images cause quality perception to be higher in all the brand attributes even those not related to the brand. High-quality packaging, regular quality communication, and Advertising investment are some of the factors that contribute to the formation of quality perception, which are local products usually do not have. Studies of emerging markets show that 70-75% of consumers consider branded products to be of better quality than the local ones even when measured objectively quality is equal. Such a gap serves as a huge obstacle for local products to be adopted by consumers.

Trust Formation and Purchase Decisions

Trust may very well be the main reason behind purchase loyalty and a willingness of a consumer to pay a higher price. Consumers get brand trust through consistent product quality over the years, good and reliable service, product guarantee, and customer service that is helpful and prompt. Once trust is established, it is very difficult for consumers to switch to the competitors. Studies show that trust is one of the most important factors that lead to repeated buying and willingness to pay higher prices.

Those consumers who trust brands show significantly higher loyalty levels compared to the ones who are mostly concerned with price and buy mainly for the best value. There appear to be significant generational differences, with younger consumers gaining trust from digital marketing and social proof, while older consumers rely on direct experience and traditional relationships. The process of gaining trust for local products is not easy as they are at a constant disadvantage. Without official quality assurance systems, customer service, or warranty facilities, local producers will find it hard to win consumer trust even if their products are of better quality.

Quality Perception Gaps

One of the most important concepts that the quality gap between perceived and objective quality is the main one. Perceived quality is the consumer's personal view of product excellence and it often differs from the objective quality measures. The

perception gap is due to several sources such as packaging design which strongly influences quality judgments, brand reputation which affects evaluation, price associations that signal quality and psychological factors like status associations. There are studies providing evidences that quality perception gaps are there even when objective quality is at the same level. Such gaps arise mainly due to psychological factors, marketing effectiveness, and brand associations that create quality perceptions independent of actual product attributes. This discovery has profound implications for competitive strategy in markets where local and branded products coexist.

Price Sensitivity and Value-for-Money

The role of price changes in different consumer segments. People of lower-income groups put price on top of their priority list while those of higher-income segments focus more on quality and brand image. Local products usually maintain their position through price advantages that come as a result of lower production costs, fewer intermediaries for distribution, and minimal marketing expenditure. Still, price reasons alone turn out to be insufficient in the case of the existence of substantial quality perception gaps. Consumers who mainly position their purchasing decision on price demonstrate low levels of loyalty and can easily switch to alternatives where they can get better value-for-money. Value-for-money is the ratio of perceived quality to price and it is much more powerful than price alone when it comes to determining competitive positions.

III. RESEARCH METHODOLOGY

Research Design and Approach

This cross-sectional descriptive and comparative research is based on the data collected from 60 participants via online structured questionnaires with Likert-scale measurements. The research is about consumers' attitudes at a particular time (December 2025), with no follow-up of changes in brand trust and quality perception over time.

Sample Characteristics

The survey respondents had different backgrounds: Students: 36.7% (22 respondents)

Working professionals: 35% (21 respondents)
Others (self-employed, homemakers): 28.3%(17 respondents)

This occupational variety makes it possible to find out in what way the employment type affects people's perception of quality and trust. Age range covers from 18 to 60 years and gender composition includes males as well as females.

Data Collection Instrument

The questionnaire included eight sections, each presenting a Likert-scale item, thus covering issues related to brand trust, quality perception, and purchasing preferences:

1. Brand name influence on quality perception
2. Quality perception of branded products
3. Comparative quality assessment
4. Product longevity perception
5. Trust in branded products
6. Local economic support perception
7. Price reasonableness perception
8. Quality equivalence assessment

Every statement had five response options on the Likert scale, namely: Strongly Agree (SA), Agree (A), Neutral (N), Disagree (D), and Strongly Disagree (SD).

Data Analysis Methods

For each statement, the respondent had to express his or her opinion by marking one of the above choices on the 5-point scale. "Strongly Agree" was the highest point (5), while "Strongly Disagree" was lowest one (1), the other three point positions being in between. These scales allowed individuals to give their opinions more precisely than a "yes"/"no" answer. To improve the validity and reliability of results, some questions were reversed (negatively worded), such as 6, 7, and 8 (inverted items). The reliability of the questionnaire measured by Cronbach's alpha was 0.732 for the 8 Likert-scale items, which indicates good internal consistency.

IV. FINDINGS AND DATA ANALYSIS

Brand Name Influence on Quality Perception

Survey Finding: The question "Brand name makes me think of higher quality" got the following response distribution:

- Strongly Agree: 25%
- Agree: 31.7%
- Neutral: 20%
- Disagree: 18.3%
- Strongly Disagree: 5%

Analysis: More than half of the people (56.7%), who combined the responses of Strongly Agree and Agree, are of the opinion that brand names largely impact the quality perception. The obtained result serves as an evidence for a brand name to act as a psychological quality signal.

Quality Perception of Branded Products

Survey Finding: Concerning "Quality is higher in branded products," the most frequent answers were:

- Strongly Agree: 23.3%
- Agree: 48.9%
- Neutral: 11.1%
- Disagree: 13.3%
- Strongly Disagree: 3.4%

Analysis: An overwhelming 72.2% of the survey participants are of the opinion that branded products are of better quality. This constitutes a strong quality perception advantage for branded products that is independent of any objective quality measures. Only 16.7% have explicitly expressed their disagreement, which means that in almost all cases, the quality perception of the sample is favorable towards branded products.

Comparative Quality Assessment

Survey Finding: Concerning "Quality is higher in branded products than local products," the responses were:

- Strongly Agree: 26.7%
- Agree: 26.7%
- Neutral: 8.3%
- Disagree: 28.3%
- Strongly Disagree: 10%

Analysis: Over half of the people (53.3%) show their consent that branded products are of better quality than local ones. On the contrary to this, a considerable number of people, 38.3% (the sum of Disagree and Strongly Disagree), disagree with this

statement, suggesting that they think the local and the branded products are of the same quality.

Product Longevity Perception

- Survey Finding: The responses to "Branded products last longer than local products" were:
Strongly
- Agree: 20%
- Agree: 33.3%
- Neutral: 18.3%
- Disagree: 18.3%
- Strongly Disagree: 10%

Analysis: More than half of the people (53.3%) share the view that branded products are more durable and can last longer. Such a perception extends the advantages of a brand in terms of quality not only to the immediate quality but also to the long-term performance side. However, 28.3% are not convinced with this statement, hence they disagree. This suggests that a significant number of consumers doubt that there is a difference in the durability of different product categories.

Trust in Branded Products

Survey Finding: For the statement "I trust branded products more than local ones," the most common responses were:

- Strongly Agree: 18.3%
- Agree: 38.3%
- Neutral: 16.7%
- Disagree: 18.3%
- Strongly Disagree: 8.4%

Analysis: A majority of 56.7% show that they trust branded products more than local ones. This differential in trust is a major competitive advantage as trust is strongly linked to purchasing loyalty and resistance to brand switching.

Local Economic Support Recognition

Survey Finding: The responses given to the statement "Local products support the local economy and community" were:

- Strongly Agree: 18.3%
- Agree: 43.3%
- Neutral: 20%
- Disagree: 13.3%
- Strongly Disagree: 5%

Analysis: A considerable number of people, 61.6%, perceive local products as the source of support for local economies and communities. This is a good demonstration of consumer recognition of the social value of local products even when they perceive them as of lower quality. Only 18.3% of the respondents do not agree with the local economic support, thus indicating a wide recognition of local product community benefits.

Price Reasonableness Perception

Survey Finding: The most common answers to the statement "Local products are reasonably priced compared to branded products" were:

- Strongly Agree: 10%
- Agree: 46.7%
- Neutral: 20%
- Disagree: 16.7%
- Strongly Disagree: 6.7%

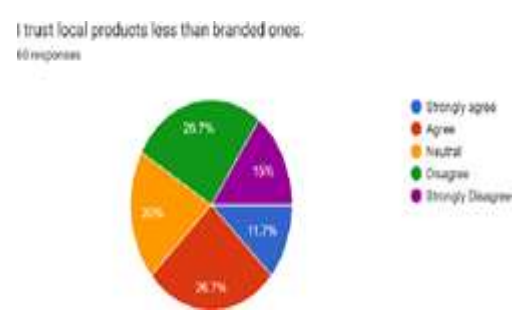
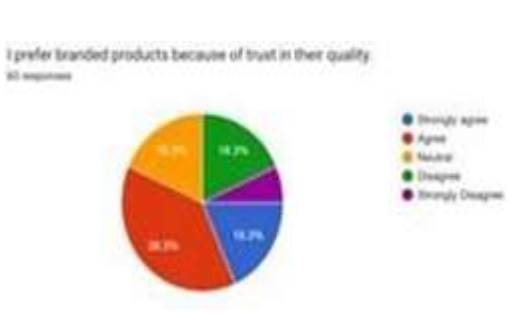
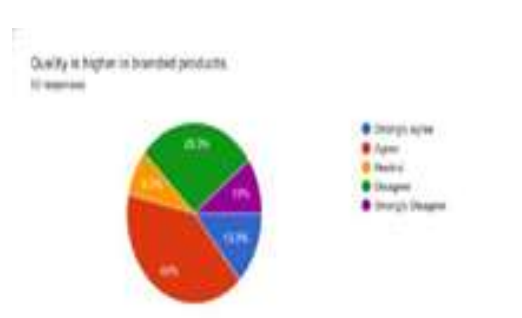
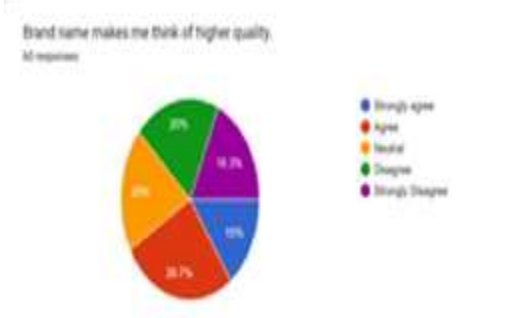
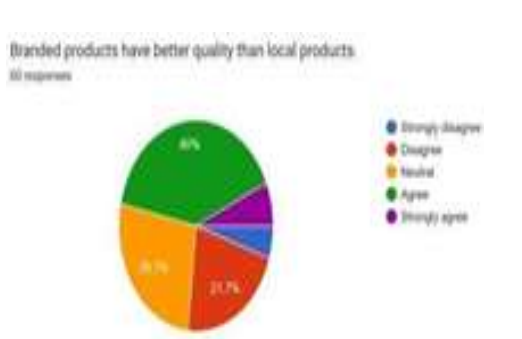
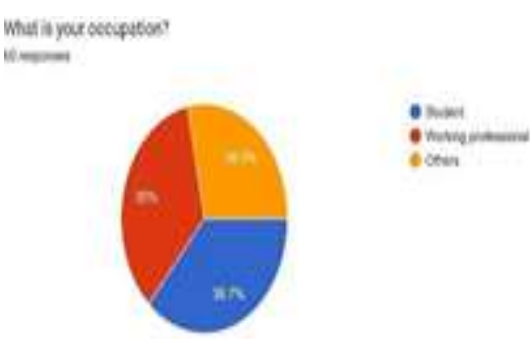
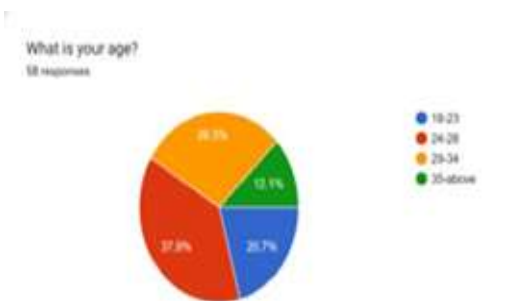
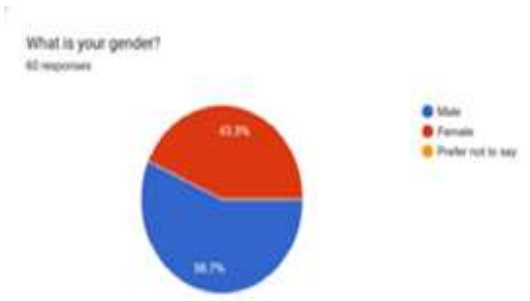
Analysis: More than half of the people, 56.7%, think local products to be reasonably priced when compared to branded alternatives. This represents the primary competitive strength of local products. Just 23.4% consider local products to be overpriced, thus maintaining a price perception advantage.

Quality Equivalence Assessment

Survey Finding: Answers to the statement "Local products are as good in quality as branded ones" were:

- Strongly Agree: 11.7%
- Agree: 35%
- Neutral: 8.3%
- Disagree: 30%
- Strongly Disagree: 15%

Analysis: There were only 46.7% of the respondents (the sum of Strongly Agree and Agree) who thought that local products were as good as branded ones in terms of quality. More importantly, a significant portion of the respondents, 45% (the sum of Disagree and Strongly Disagree) strongly disagree with the statement about the equivalence of quality. The distribution of responses in this case uncovers a large gap in quality perception between local and branded products which stands as the fundamental barrier to local product adoption.



V. DISCUSSION AND STRATEGIC IMPLICATIONS

The Quality Perception Paradox

The study has uncovered a remarkable paradox in the quality perception of local products. While a significant majority (56.7%) sees the local products as reasonably priced and 61.6% agree that the local economy is supported by them, only 46.7% are convinced that local products are of the same quality as the branded ones.

Trust as Mediating Factor

Trust is the mediating factor that connects quality perception to purchasing preferences. The 56.7% trust advantage for branded products is strongly linked to the 72.2% quality perception advantage. This means that quality perception leads to the formation of trust— consumers who trust a product to be of good quality are also more likely to trust the brand.

The implications for local producers are that investing in quality and communicating quality is of utmost importance in their strategic plan. Gaining consumer trust cannot be done without first proving that the quality is credible.

Market Opportunity Assessment

This is an important point that the initial megaproject data revealed that two-thirds (66.7%) of the respondents were willing to switch to local products "if quality matches branded alternatives." This is a huge market potential. The finding of the current survey showing that only 46.7% think that local quality is at the same level as branded products points to the reason for competition: about one-fifth of the consumers would switch to local products if the quality perception barriers were removed.

Demographic Insights

The sample makeup (36.7% students, 35% working professionals) is indicative of a somewhat affluent demographic with an above-average educational background and purchasing power. A demographic of this kind usually prioritizes factors like quality and brand-awareness, rather than price. On the other hand, lower-income consumers, who are hardly

represented in this sample, would most probably be characterized as being highly price-sensitive and having a strong preference for local products.

VI. KEY FINDINGS

Key Findings

The study provides a strong confirmation of many fundamental points that were made beforehand about the consumers' attitude towards local versus branded products:

- There is still a very large gap in the perception of the quality of products: 72.2% of people think that branded products are of higher quality, while only 46.7% of people consider local products to be of the same quality.
- Trust is closely related to quality perception: most of the people who trust branded products also find them to be of better quality.
- Price is the main factor that makes local products attractive: more than half of the respondents consider that local products are priced fairly although they think that these products are of lower quality.
- Social value is still accepted: most of the surveyed individuals agree that buying local supports the local economy even if they prefer branded products.
- There is a high potential for switching: about one-fifth of consumers say that they would change to local products if quality issues were solved.

Theoretical Contributions

The present study serves as a theoretical contribution to consumer behavior literature by revealing that in the formation of local versus branded product preference, quality perception and trust are the most decisive factors in Indian markets. Its results serve as a springboard for investigating trust dimensions and the potential of switching, along with acknowledging the existence of gaps in quality perception.

Another point brought forth by the study is that psychological factors (quality perception, trust, brand association) have a stronger impact on purchasing preference than economic factors (price,

availability) when consumers are faced with the evaluation of product categories. Those consumers who are ready to pay a price premium for the sake of quality perception become the main market for branded products.

Strategic Recommendations

Local manufacturers: Some of the main measures for a local producer are to upgrade the product quality, communicate the quality, and create a professional brand image. Quality certifications issued by a neutral party, professional packaging, and an investment in digital marketing could close the gap in quality perception and win over the consumers who are willing to switch.

Branded companies: In general, brand quality and brand trust are the central elements of the marketing strategy of a branded company. The implementation of a sustainable corporate social responsibility initiative that is eco-friendly and promotes community support may be the answer to the ethical-consumerism trend that could indirectly cause consumer loyalty to falter.

VII. CONCLUSION

According to the present research, brand trust, and quality perception are the major factors that determine consumer preferences when choosing between local and branded products in modern Indian markets. Even though quality perception gaps and trust differentials mostly benefit branded products at the moment, there is a substantial market potential for local producers if they decide to take up the challenge of quality improvement and quality communication.

The most important point of the study is the finding that two-thirds of the respondents are ready to switch to local products if they are of the same quality as branded ones, which, combined with the acknowledgment that currently, only 46.7% of the respondents believe that there is quality parity, leads to the identification of a 20% consumer segment that is very responsive to quality- focused local product strategies. The subsequent research that focuses on real purchasing behavior, preference

changes over time, and variations in specific product categories would, therefore, reveal more about these significant market dynamics.

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