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# A Study on Influence on Chinese Product in Indian Market

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## ABSTRACT

This is "THE STUDY ON INFLUENCE OF CHINESE PRODUCT IN NDIA MARKET" and analyzes consumer awareness, usage patterns, purchasing behavior, and perceptions toward Chinese goods. The research focuses on understanding the factors that attract Indian consumers to Chinese products, such as low price, design, availability, and technological features, while also evaluating concerns related to quality, durability, and safety standards.
A structured questionnaire was used to collect data from **151 respondents**. Percentage analysis, **ANOVA, Chi-square, and correlation** tests were applied to interpret consumer preferences and identify relationships between demographic variables and product usage. The findings reveal that a significant majority of respondents are aware of Chinese products, and most actively use them—especially mobile phones and electronic gadgets. Price sensitivity emerges as the strongest influencing factor, followed by design and availability. Statistical results indicate a significant association between age and type of Chinese products used, as well as between gender and perceived durability. The correlation analysis shows a positive relationship between product usage and market awareness.
The study concludes that Chinese products have a strong presence in the Indian market due to affordability and accessibility, despite concerns regarding long-term durability and safety. The research highlights the need for promoting Indian alternatives, enhancing quality standards, and increasing consumer awareness to strengthen domestic industries.

## INTRODUCTION

Indian market has experienced a massive influx of Chinese products over the past two decades, reshaping trade patterns, consumer choices, and the overall structure of domestic industries. Today, a wide range of goods from China-including electronics, mobile phones, household items, toys, textiles, machinery, and even critical inputs like pharmaceutical ingredients and solar components have become an integral part of India's consumption and production system. The main reason behind this dominance is the affordability, large-scale availability, and diverse range of Chinese products, which attract Indian consumers across rural and urban areas alike. While this growing dependence on Chinese goods has made products more accessible to people at lower prices, it has also created serious challenges for India's local manufacturers, Enterprises (MSMEs), who struggle to compete manufacturing technologies. Furthermore, the increasing trade imbalance between India and China, where imports far exceed exports, has raised economic concerns and made the issue especially the Micro, Small, and Medium with China's cost efficiency and advanced of Chinese influence highly significant. Beyond economics, the reliance on Chinese imports for sensitive sectors such as electronics, surveillance equipment, and active pharmaceutical ingredients has also raised questions about India's long-term self-reliance and national security. Therefore, studying the influence of Chinese products in the Indian market is crucial, as it not only highlights consumer trends and industrial competition but also provides insight into broader policy challenges, trade strategies, and the need for India to strengthen its domestic manufacturing capabilities in order to achieve sustainable and balanced economic growth.

Over the last two decades, Chinese products have established a deep and widespread presence in the Indian market, altering the country's trade dynamics, consumer behavior, and industrial competitiveness. The roots of this influence can be traced back to India's liberalization policies of the 1990s, when cheaper imports became accessible and Chinese manufacturers quickly captured market space by offering affordable goods with attractive designs and variety. Today, Chinese dominance can be seen across multiple sectors: from consumer electronics, smartphones, and household appliances to toys, garments, decorative items, and festive products, as well as critical industrial inputs such as machinery, telecom

equipment, solar panels, chemicals, and pharmaceutical raw materials.

According to recent trade data, China accounts for nearly 30% of India's industrial goods imports, with electronics, machinery, and chemicals forming a significant share, while in consumer markets, categories like toys, umbrellas, glassware, and plastic goods are heavily dependent on Chinese supply. The affordability of these goods has benefited Indian consumers, especially middle-and lower-income groups, but at the same time, it has posed immense challenges for domestic industries, particularly Micro, Small, and Medium Enterprises (MSMEs), which often struggle to compete with China's large-scale, low-cost, and technologically advanced production systems. The rising dependence has also created a massive trade imbalance, with India's imports from China crossing $100 billion annually while exports remain far lower, resulting in a widening trade deficit that has strategic and economic implications.

India and China bestowed with the greatest ancient civilizations, ranks among the world's largest developing Nations, the fastest growing economies and are among the foremost rising powers in Asia. India initiated its economic liberalization in the year 1991, with the goal of making the economy more market-Oriented and expanding the role of private and foreign investment. China, the world's largest exporter of goods Since 2009, has liberalized its economy since 1978.The political relationship between the countries has improved and developed continuously since 1990s, and the trade cooperation especially the trade in goods area have entered a Rapid development period.

**OBJECTIVE OF THE STUDY:**

The research investigation has been carried out to fulfil the following objectives:

1. To understand the attitude of the consumers towards the various Chinese products.
2. To study the impact of some predetermined factors on the attitude of the consumers.
3. To find out the level of competition between the Indian and Chinese products.
4. To analyze the penetration of Chinese products in the Indian market across different sectors.
5. To study consumer perception and preferences regarding Chinese products
6. To examine the price competitiveness of Chinese goods compared to Indian products

To analyze the penetration of Chinese products in the Indian market across different sectors.

**REVIEW OF LITURATE**

**1. Bilkey, W.J. and Nes, E. (1982). "Country of origin effect on product evaluations"**

Early foundational reviews and empirical studies establish the country-of-origin cue as a robust factor shaping consumer evaluations of product quality, prestige and purchase intentions. Bilkey & Nes (1982) provide a classic literature review showing that COO acts as an informational cue when consumers lack other product knowledge, and that its impact varies by product category and consumer familiarity.

**2. Dickerson, K.G. (1982). "Imported versus US produced apparel: consumer views and buying patterns"**

This study compares imported versus US-produced apparel in terms of consumer views and buying patterns. It contributes early empirical evidence on how apparel shoppers perceive foreign-made clothing and how COO interacts with fashion, price and store image in purchase decisions.

**3. Samiee, S. (1994). "Customer evaluation of products in a global market".**

conceptual and empirical contribution that examines customer evaluation of products in a global market. Samiee integrates COO considerations into broader buyer-decision frameworks and calls for better measurement and managerial attention to how country image affects global marketing.

**4. Agbonifoh, B.A. and Elimimian, J.U. (1999). Country-of-origin (COO) effects and product evaluations -foundational work**

This paper examines attitudes in developing countries toward products identified by country-of origin in markets with many competing brands. It highlights how COO acts as an important cue when consumers face multiple, unfamiliar brands, and discusses implications for brand positioning and import policy in developing economies.

**5. Batra, R., Venkatram, R., Alden, D.L., Steenkamp, J.E.M. and Ramachander, S. (2000). "Effects of brand Local and nonlocal origin on consumer attitudes in developing countries".**

Several studies focused on consumer attitudes in developing markets report that imported or Western-origin brands often enjoy higher attitudinal preference because they signal quality and status. Batra et al. (2000) show that in many developing-country contexts consumers sometimes favour nonlocal/Western brands – not only for perceived higher quality but for social signalling.

## RESEARCH METHODOLY:

### DEFINITION

"According to Webster's dictionary research is "A careful enquiry or principles delight investigation in order to ascertain something". Research methodology is a way to systematically solve the research problem.

### RESEARCH DESIGN

"A research design is the arrangement of conditions for collection and analysis data in a manner that aims to combine relevance to the research purpose with economy in produce." It constitutes blueprint for the collection, measurement and analysis of data. As such the design includes an outline of what the researcher will do from writing the hypothesis and its operational implication if the final analysis of data.

### SAMPLING DESIGN

A sampling plan is definite design for obtaining a sample from the sampling frame. It refers to the techniques of the procedure the researcher would adept in selecting some sampling units for which information about the population is drawn sampling design is determined before any data are collected.

### SOURCES OF DATA

The sources of data collection are namely

**A)** Primary Data

The data that are collected for the first time by an investigator for a specific purpose. Primary data are 'pure' in the sense that no statistical operations have been performed on them and they are original. An example of primary data is the Census of India.

**B)** Secondary Data

Secondary data is research data that has previously been gathered and can be accessed by researchers. The term contrasts with primary data, which is data collected directly from its source.

### QUESTIONNAIRE CONSTRUCTION

Questionnaires were constructed based on the following types

1. Open ended questions
2. Close ended questions
3. Multiple choice questions

### DEFINING THE POPULATION

The population (or) universe can be finite (or) infinite, the population is said to be finite if it consists of a fixed number of elements so that it is possible to enumerate it in its totality, so in this project consist of finite population.

### SAMPLING SIZE

Questionnaires are collected from 151 people. The respondents were selected from common people

### SIMPLE RANDOM SAMPLING

• A simple random sample is a randomly selected subset of a population. In this sampling method, each member of the population has an exactly equal chance of being selected.

### SAMPLING TECHNIQUE

➢ Probability sampling

➢ non-probability sampling

The sampling technique use in this study is simple random method. A simple random sampling is a type of probability sampling method where the sample data is collected from group of people who are easily approachable.

### QUESTIONNAIRE DESIGN

• A Questionnaire is an instrument utilised to collect responses of the sample from the population. Questionnaire has many different types of questions; the current article tries introduce the readers to different type of questions that would normally see in our Questionnaires that we intend to analyse.

• The questionnaire is divided into sections like demographic variables, independent variables includes and dependent variables includes employee performance.

### STATISTICAL TOOLS USED FOR DATA ANALYSIS

The data collected from the primary sourced were arranged sequentially. The collected data were classified and analysed with the statistical tools like

✓ Percentage method

✓ Anova

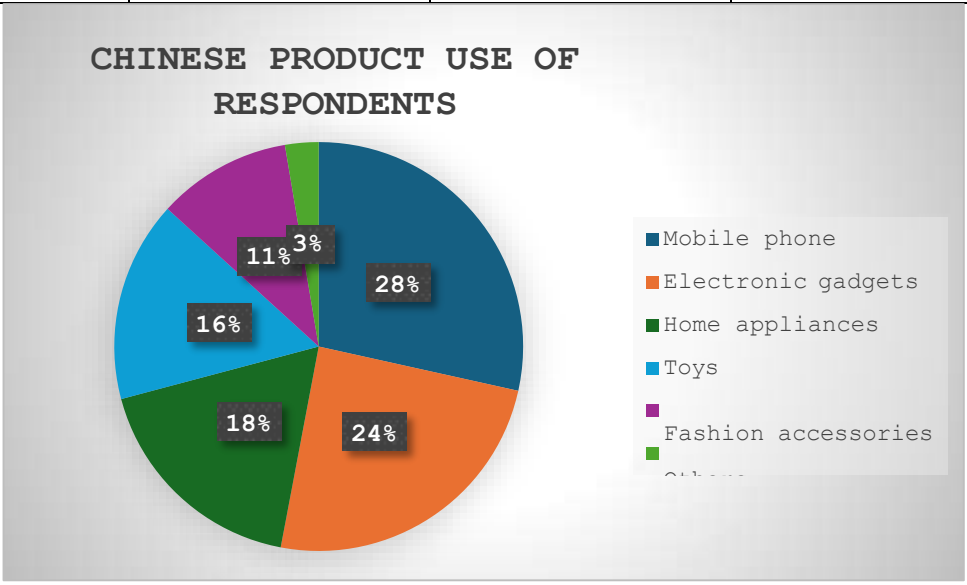
✓ Chi square method ✓ Correlation

**ANALYSIS AND INTERPRETATIONS**

**PERCENTAGE METHOD:**

**CHINESE PRODUCT YOU USE OF THE RESPONDENTS TABLE**

| SI.NO | CATEGORY | NO OF RESPONDENT | PERCENTAGE |
|---|---|---|---|
| 1 | Mobile phone | 43 | 28% |
| 2 | Electronic gadgets | 37 | 24% |
| 3 | Home appliances | 27 | 18% |
| 4 | Toys | 24 | 16% |
| 5 | Fashion accessories | 16 | 11% |
| 6 | Others | 4 | 3% |
| | Total | 151 | 100% |




**INFERENCES:** The data reveals that most respondents (28%) prefer purchasing mobile phones, followed by electronic gadgets (24%) and home appliances (18%). Toys (16%) and fashion accessories (11%) are moderately preferred, while other items (3%) are the least purchased. This indicates that most respondents prioritize technology-related products over other categories.

**ANOVA**

**GENDER**

| | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Between Groups | 25.197 | 2 | 12.599 | 162.260 | .000 |
| Within Groups | 11.491 | 148 | .078 | | |
| Total | 36.689 | 150 | | | |

Post Hoc Tests Homogeneous Subsets

**GENDER**

| durability of Chinese products | N | Subset for alpha = 0.05 | |
|---|---|---|---|
| | | 1 | 2 |
| Yes | 68 | 1.19 | |
| No | 40 | | 2.00 |
| not sure | 43 | | 2.02 |
| Sig. | | 1.000 | .684 |

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 47.648.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

**CHI-SQUARE TEST**

**AGE vs CHINESE PRODUCT YOU USE**

Analysis of association between Age and Chinese product you use**.**

**HYPOTHESIS NULL HYPOTHESIS(H0):**

There is no significant association between Age and Chinese product you use.

**ALTERNATE HYPOTHESIS(H1):**

There is a significant association between Age and Chinese product you use.

**AGE OF THE RESPONDENTS**

| SI.NO | CATEGORY | NO OF RESPONDENT | PERCENTAGE |
|---|---|---|---|
| 1 | Below 18 | 5 | 3% |
| 2 | 18 – 25 | 119 | 79% |
| 3 | 26 – 35 | 19 | 13% |
| 4 | 36 – 50 | 5 | 3% |
| 5 | Above 50 | 3 | 2% |
| | Total | 151 | 100% |

**CHINESE PRODUCT YOU USE OF THE RESPONDENTS**

| SI.NO | CATEGORY | NO OF RESPONDENT | PERCENTAGE |
|---|---|---|---|
| 1 | Mobile phone | 43 | 28% |
| 2 | Electronic gadgets | 37 | 24% |
| 3 | Home appliances | 27 | 18% |
| 4 | Toys | 24 | 16% |
| 5 | Fashion accessories | 16 | 11% |
| 6 | Others | 4 | 3% |
| | Total | 151 | 100% |

**AGE * CHINESE PRODUCT YOU USE CROSSTABULATION**

| | Cases | | | | | |
|---|---|---|---|---|---|---|
| | Valid | | Missing | | Total | |
| | N | Percent | N | Percent | N | Percent |
| age * c.p you use | 151 | 98.7% | 2 | 1.3% | 153 | 100.0% |

Count

| | | Chinese product you use | Total |
|---|---|---|---|
| | | others | |
| age | below18 | 0 | 6 |
| | 18-25 | 0 | 119 |
| | 26-35 | 0 | 18 |
| | 36-50 | 2 | 6 |
| | above 50 | 2 | 2 |
| Total | | 4 | 151 |

**Chi-Square Tests**

| | Value | df | Asymp. Sig. (2-sided) |
|---|---|---|---|
| Pearson Chi-Square | 213.630[a] | 20 | .000 |
| Likelihood Ratio | 135.950 | 20 | .000 |
| Linear-by-Linear Association | 73.264 | 1 | .000 |
| N of Valid Cases | 151 | | |

a. 24 cells (80.0%) have expected count less than 5.

b. The minimum expected count is .05.

The calculated values = 13.630[a] A Significant value = 0.000 Degree of freedom = 20

**INFERENCES:** From the above table, it is found that the significance value is 0.000 which is less than 0.05, hence null hypothesis is rejected. Thus, there is an association between age vs Chinese product you use.

**FINDINGS:**

**1.** Mobile phones (28%) are the most preferred purchase, followed by electronic gadgets (24%) and home appliances (18%), showing high interest in technology-based products.

**2.** Most respondents engage in the activity occasionally or rarely (each 38%), with only 16% doing so frequently, indicating low regular participation.

**3.** Low price (33.77%) is the most influential factor in purchase decisions, followed by design (20.53%) and availability (16.56%), showing price sensitivity among consumers.

**4.** A majority rated the factor as "Good" (46.36%) or "Very Good" (25.17%), with 12.58% rating it "Excellent." This reflects overall positive satisfaction levels.

**5.** 45.03% of respondents agreed ("Yes"), while 26.49% disagreed and 28.48% were unsure — indicating mixed opinions but a leaning toward agreement.

**6.** 40.40% agreed fully, 36.42% agreed to some extent, and 23.18% disagreed, suggesting that most respondents perceive moderate to strong relevance of the statement.

## 6.1 CONCLUSION

The study clearly shows that Chinese products have a strong and widespread influence in the Indian market, especially among the youth population. The findings reveal that a majority of respondents are aware of Chinese goods, actively use them, and prefer them primarily due to low prices, attractive designs, and easy availability. Mobile phones, electronic gadgets, and home appliances are the most commonly purchased Chinese items, showing that Indian consumers depend heavily on Chinese technology-based products.

Overall, the research concludes that price sensitivity, advanced features, and wide product variety make Chinese goods attractive to Indian consumers. However, this preference poses competitive challenges to Indian manufacturers, especially MSMEs. Strengthening domestic manufacturing, improving product quality, increasing consumer awareness, and implementing supportive government policies are essential for reducing dependency on Chinese imports. The study emphasizes the need for India to focus on innovation, cost efficiency, and brand-building to compete effectively in the global marketplace.

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