



International Distribution Strategies for the Diffusion
of Ethnic Products in Global Markets.

Graduating Project

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Rennes, France

2024



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of Ethnic Products in Global Markets.

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Declaration of Academic Integrity and Personal Work

“I, the undersigned, Laura Alexandra Jurado Bonilla declare on my honor that this submitted Graduating Project “International Distribution Strategies for the Diffusion of Ethnic Products in Global Markets” is my own work. No part of this research has been submitted in the past for publication or for degree purposes. I also confirm that I did not use generative AI.

Laura Alexandra Jurado Bonilla

Disclaimer Statement

I declare that the intellectual responsibility of this work belongs exclusively to its author. The Rosario University and Rennes School of Business is not responsible for the content, opinions, or ideologies expressed in whole or in part in it.

Laura Alexandra Jurado Bonilla

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MSc SDM

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List of Acronyms and Abbreviations

Abbreviation	Meaning
B2C	Business to customers
e.g.	A Latin phrase that means "for example"
EMC	Export Management Companies
GMC	Global Marketing Conference
GSCMC	Global Supply Chain Management Conference
GST	Goods and Services Tax
IBA	International Business Association
ICGBEA	International Conference on Global Business and Economic Anthropology
i.e	Used to mean "that is" before you give a more detailed explanation about something that you have just written
MNCs	Multinational Corporation
NCCEH	National Collaborating Centre for Environmental Health
OECD	Organisation for Economic Cooperation and Development

UGC	User Generated Content
VAST	Value Added Tax
WOM	Word of Mouth

Glossary

Word	Explanation
Commercialisation	The process of making a product or service available for sale to the public.
Distribution	The process of transporting products from a manufacturer, storing them, and selling them to different stores and customers.
E-Commerce	The business of buying and selling goods and services on the internet. E-commerce is short for electronic commerce.
Ethnic	Relating or belonging to a group of people who can be seen as distinct (= different) because they have a shared culture, tradition, language, history, etc.
Ethnicity	A large group of people with a shared culture, language, history, set of traditions, etc., or the fact of belonging to one of these groups
Manufacturer	A company that produces finished goods in large numbers.
Marketplace	A website designed for people to buy and sell things.

Producers

A company, country, or person that provides goods, especially those that are produced by an industrial process or grown or obtained through farming, usually in large amounts.

Abstract

This study aims to investigate how strategies for the distribution of products enable the presence of ethnic products in different parts of the global market. The study analyses the distribution channels and their respective special characteristics that enable companies to position their products and highlights success stories that have emerged in recent years. The study also examines the behaviour of customers and consumers in their entire purchasing process from the moment they decide to find out where to get the products to the post-sale process of re-purchasing the product either through an offline or online channel. The study includes surveys with people from different regions who have purchased ethnic products, a review of previous research and mixed-technique data analysis.

The research findings suggest that the best distribution channel for ethnic products market is online distribution channels and people agree marketplace is the best channel to find a good customer experience purchasing ethnic products. In addition, through this channel customers will get a good customer experience throughout the entire consumer purchase journey.

The report makes recommendations, such as implementing marketing strategies of adapted distribution to the local cultural preferences to increase the demand for ethnic products in the global market. The distribution strategies that consider cultural differences and local consumer differences contribute to the major success of ethnic products in international markets.

Keywords: Ethnic, product, global, market, distribution.

Resumen

Este estudio pretende investigar cómo las estrategias de distribución de productos permiten la presencia de productos étnicos en distintas partes del mercado mundial. El estudio analiza los canales de distribución y sus respectivas características especiales que permiten a las empresas posicionar sus productos y destaca los casos de éxito que han surgido en los últimos años. El estudio también examina el comportamiento de los clientes y consumidores en todo su proceso de compra, desde el momento en que deciden dónde adquirir los productos hasta el proceso postventa de recompra del producto, ya sea a través de un canal offline u online. El estudio incluye encuestas a personas de distintas regiones que han comprado productos étnicos, una revisión de investigaciones anteriores y un análisis de datos con técnicas mixtas.

Los resultados de la investigación sugieren que el mejor canal de distribución para el mercado de productos étnicos son los canales de distribución en línea y la gente está de acuerdo en que el mercado es el mejor canal para encontrar una buena experiencia de cliente comprando productos étnicos. Además, a través de este canal los clientes obtendrán una buena experiencia de cliente a lo largo de todo el recorrido de compra del consumidor.

El informe hace recomendaciones, como aplicar estrategias de marketing de distribución adaptadas a las preferencias culturales locales para aumentar la demanda de productos étnicos en el mercado global. Las estrategias de distribución que tienen en cuenta las diferencias culturales y de los consumidores locales contribuyen al mayor éxito de los productos étnicos en los mercados internacionales.

Palabras clave: Étnico, producto, global, mercado, distribución.

1. Introduction

This study looks at the importance of the distribution strategies of ethnic products in international markets, as is the case of the “Achira” product, a typical product in Colombia based on Achira flour from the region. When customers are not in the country, they can find this type of product in supermarkets or ethnic product shops offline and online in marketplaces such as Amazon. Considering the main point of view, answering how an ethnic product (being a traditional or local product) can become an international product (reach markets in other countries completely different.)

Taking into account that the research seeks to know the distribution strategies, we consider that the importance of the research primarily lies in the fact that ethnic products may be more congruent between their relationship of culture and the product, since we may find the fact that the consumer is looking for a local product from their country and it is difficult to find it in the market since it is not exported to other countries, however, it can be realised that other similar products are not easily found but can be found. is within their reach, the background of the problem would be the purpose of distributing these types of products to international markets where their target audience is.

However, it is substantial that for this international marketing strategy to work, awareness must be generated, and customers must be educated so that they can access the purchase of these products.

Therefore, understanding the needs of companies regarding their distribution implies, in the first instance, understanding the advantages of reaching other markets since brands seek to

expand to other markets for different reasons, also the international prestige and brand expansion, benchmarking, Exploitation of Economies of Scale among others reasons.

From my own experience, the fact of living for a long time outside my country has allowed me to get to know our cultures and customs, but above all, it has allowed me to analyse how there are products that before I went to live abroad were very "normal" for me to be able to obtain but that now, being abroad, are only available in small quantities or simply not at all because they are products of very local origin, that is to say, that the scope of their export has not been achieved or if it is achieved, it is very little.

That is why the objective of this research is to discover how companies that export ethnic products can achieve a global demand and how customers or consumers adapt to the markets where these products are offered but also, for those companies who want to expand their market, what would be the best strategy to implement.

1.1 Research Question

What distribution strategies can companies employ to effectively tap into the global market demand for ethnic products, considering factors such as cultural preferences, supply chain efficiency, and market accessibility?

2. Literature Review

2.1. Introduction to Distribution Strategies and Ethnic Products

2.1.1. *Ethnic products*

According to the National Collaborating Centre for Environmental Health “The definition of “ethnic food” depends on the geographic and cultural context in which the cuisine is found. Broadly speaking, ethnic foods are defined by others outside of the respective ethnic groups as cuisines originating from the heritage and culture of specific ethnic groups. For example, Chinese food, Mexican food, Italian food, etc., are only considered to be ethnic foods outside of their respective countries” (*Ethnic and Specialty Foods | National Collaborating Centre for Environmental Health | NCCEH - CCSNE, 2019*).

2.1.2. *Their significance in international trade*

The National Collaborating Centre for Environmental Health mentioned some reasons that ethnic foods are gaining popularity worldwide due to different aspects such as the “growing number of immigrants and refugees, leading to greater demand and availability of ethnic foods; globalization of food supplies; increasing international travel, contributing to wider acceptance of ethnic foods” but only in supermarkets also allows the increasing consumption of ethnic foods at home and in restaurants. ” (*Ethnic and Specialty Foods | National Collaborating Centre for Environmental Health | NCCEH - CCSNE, 2019*).

2.1.3. *Distribution Strategies*

“Distribution strategies are concerned with the channels a firm may employ to make its goods and services available to customers. Channels are organized structures of buyers and sellers that bridge the gap of time and space between the manufacturer and the customer.”

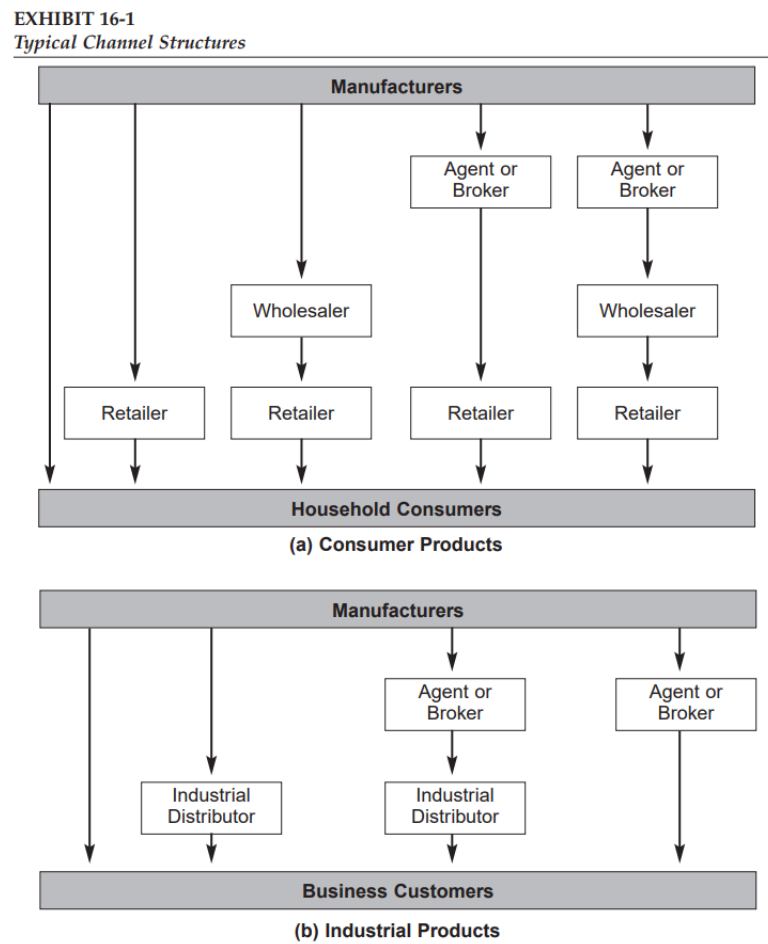
(Business Administration, 2010)

In the following image, we can identify the main roles which are manufacturers who are responsible for elaborating the product and Household consumers which means consumers that occupy a property, could be families, parents, children, etc. There are two structures. The difference between them is whether the product is for customers or industrial purposes in the case of businesses.

Manufacturers can sell their products directly to consumers or among one or more intermediaries which are retailers, wholesalers, agents or brokers, the use of intermediaries is determined by manufacturers.

Figure 1

Typical Channel Structures



Source: Business Administration: Marketing-planning and strategy. (2010).

“A distribution strategy describes the way you get your products in front of potential and repeat customers, based on their shopping behaviours and how they discover and use what you’re trying to sell. The role that an item will play in a client’s life and the type of purchase

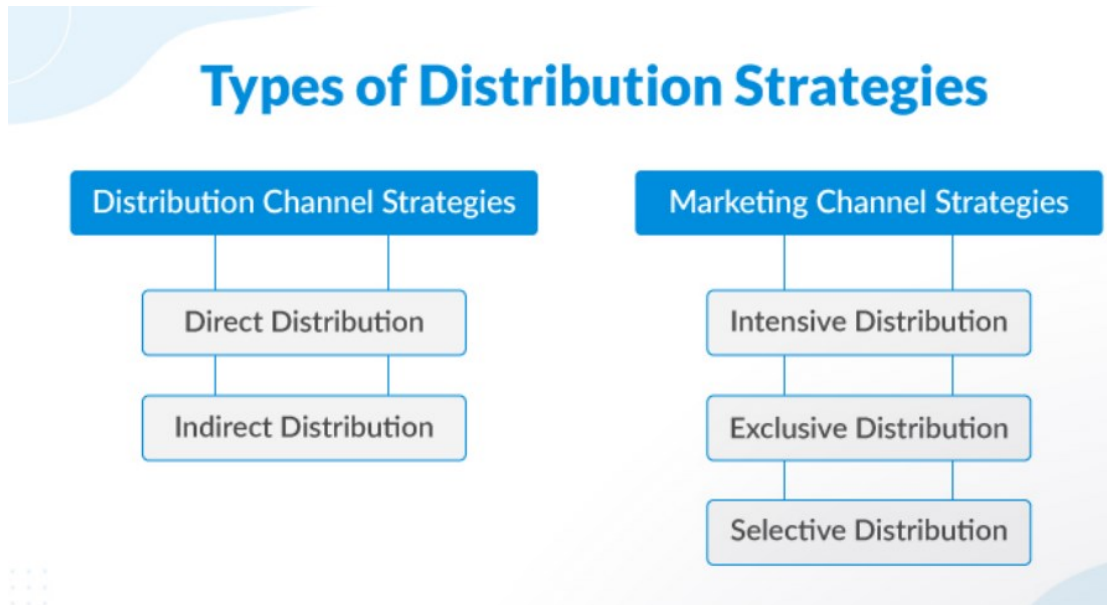
decision associated with a product are important aspects to consider when determining a strategy.” (Lalush, 2024)

In the following image, we can notice two types of distribution strategies according to the distribution and marketing channels. These two ways are direct and indirect, both allow to bring to the market services and products. The difference is that direct has more control in marketing, branding, and customer experience while when companies do not have intermediaries the distribution costs are lower in contrast to indirect and thus the profit margin is higher.

In the case of marketing channels means, the planning and management of different channels through which companies promote and sell their products to customers. There are three strategies of marketing channels first, intensive distribution where a product is distributed through as many outlets as possible second, exclusive distribution where a company limits the distribution of its product to a determined geographic area or a certain or few retailers and third, selective distribution is when a company carefully selects a limited number of intermediaries to distribute the products seeking the market balance and brand control.

Figure 2

Types of Distribution Strategies



Source: *Distribution Strategy. Cutting Edge Distribution Strategies 2024 (March 4, 2024)*

To identify their advantages and disadvantages in each case are:

- **Intensive distribution advantages**

1. Products are available in numerous locations, increasing the chances of purchase
2. High visibility of products across multiple outlets helps in building brand recognition
3. Easy availability of products can attract more customers who prefer convenience

- **Intensive distribution disadvantages**

1. Managing and maintaining relationships with various retailers can be costly and complex

2. Ensuring product quality across multiple locations can be challenging
3. The product may lose its exclusivity and appeal if it is available everywhere, potentially undermining its perceived value

- **Exclusive Distribution advantages**

1. Creates a perception of exclusivity and high value around the product, appealing to a niche market.
2. Easier to maintain quality control and consistent brand voice and messaging.
3. Close relationships with a few selected retailers can lead to

- **Exclusive Distribution disadvantages**

1. The product is available in fewer locations, potentially missing out on a broader customer base
2. High reliance on a few retailers can be risky if they underperform or discontinue the partnership
3. It may take longer to achieve a significant market presence and sales volume.

- **Selective Distribution advantages**

1. A middle ground between intensive and exclusive distribution, offering a good mix of availability and exclusivity
2. Easier to maintain product quality and brand consistency compared to intensive distribution

3. Better relationships with selected retailers who are motivated to promote the product

- **Selective Distribution disadvantages**

1. It still does not cover as wide a market as intensive distribution
2. Managing relationships with multiple retailers can lead to conflicts and competition among them
3. Requires careful selection and management of retailers to ensure they align with the brand's goals and standards

2.2. Distribution Channel

The most important streams in distribution channels are the physical movement of completed products or services; actual transfer of ownership laws among participants of the channel; information about potential buyers, competition and demand; promotion; payments of invoices; negotiations; realisation of orders; risk-taking; shipping, transportation and storage of goods. ("Polish Journal of Management Studies," 2012)

Company decisions regarding the type of distribution channel are considered in two structural systems: vertical and horizontal. In the vertical structure, there are a number of dependencies between companies. Several decisions about the quantities of different levels of flow streams are made here. The horizontal structure determines the number and type of intermediaries on specific levels. In the distribution channel, a number of intermediaries are important who participate in the transfer of goods and property rights to it from the producer to the final client. Each of these participants becomes another level in the distribution channel and

their number determines the length of the channel. (“Polish Journal of Management Studies,” 2012).

Figure 3

Process of Direct Distribution

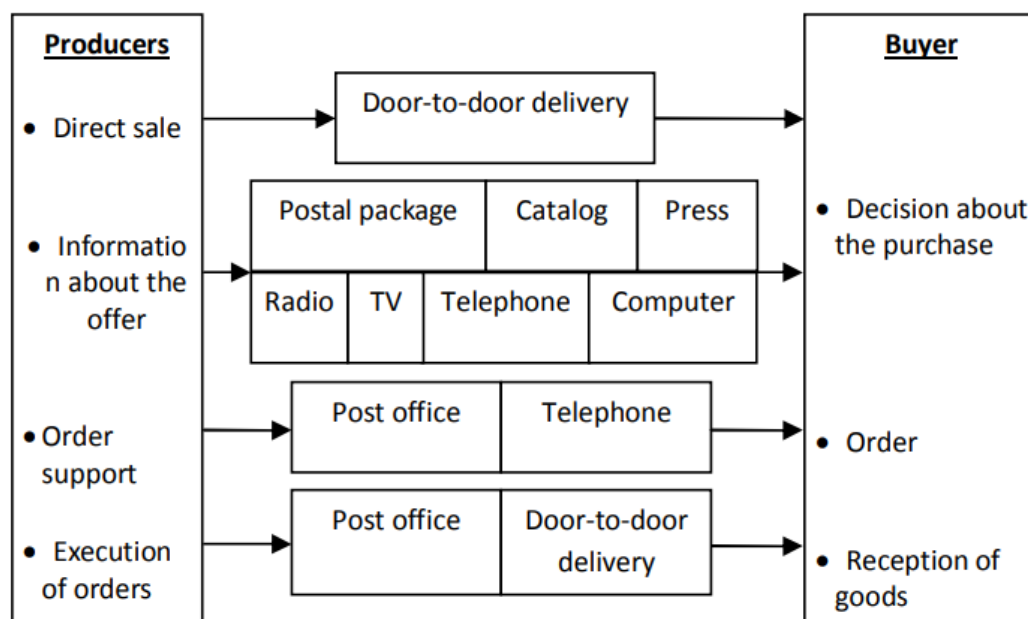


Figure 1. Direct distribution

Source: [2, p.31]

Source: Szopa P., Pekała W. Polish Journal of Management Studies, (2012).

There are two ways of distribution, direct (overseas) and indirect (domestic). The direct way does not count with brokers, exporters or any other type of intermediary, so in this situation goes directly for foreign distributors, foreign retailers, state-controlled trading companies and end users.

The case of the Indirect channel has two other ways, the domestic agent which implies the export broker, manufacturer's export agent or sales representative, EMC (Export Management Companies) and the Corporative Exporter in the Domestic merchant count on the Export merchant, Export drop shipper, Export distributor and Trading company.

Figure 4

Diagram of Intermediate Distribution

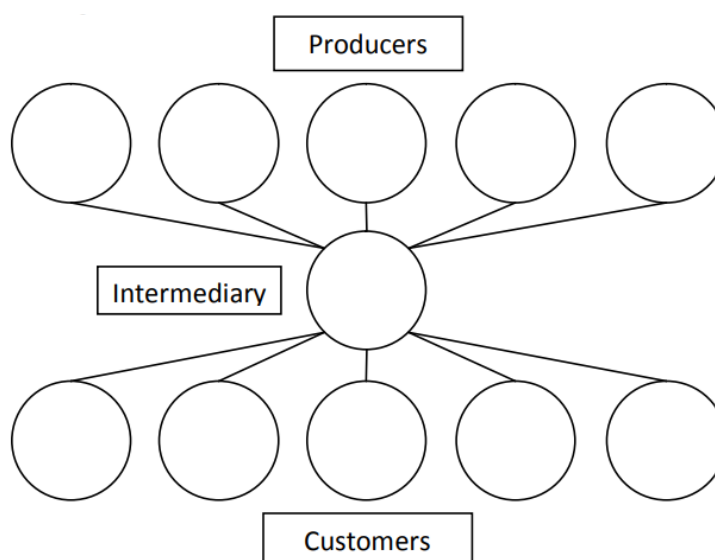


Figure 2. Intermediate distribution

Source: [1, p.152]

Source: Szopa P., Pękala W. Polish Journal of Management Studies, (2012).

Intermediaries help to reduce initial costs, thanks to the resources from intermediaries that make faster and better the technology, human resources and infrastructure investments. Also, logistics and distribution can be easier and thus the expertise in the whole process from

producer to end user can be effective and efficient, another advantage is the power of scalability which refers to the rapid facility in the geographical expansion without the need for a large investment.

Table 1

Advantages and disadvantages of Distribution strategies

Distribution strategy	Direct	Indirect
Advantages	<ol style="list-style-type: none"> <li data-bbox="597 457 927 926">1. More control over the distribution process (supply chain) for the companies can establish a closer relationship with their customers. <li data-bbox="597 968 927 1436">2. Long-term relationships due to the strong sense of culture and receiving direct feedback to improve product quality and customer experience <li data-bbox="597 1478 927 1808">3. Faster delivery contributes to quicker fulfilment time for orders and monitors the shipping of their 	<ol style="list-style-type: none"> <li data-bbox="1047 457 1474 709">1. For the companies all to reach a wider audience and reduce distribution costs <li data-bbox="1047 751 1474 1003">2. Leverage the expertise, network and reputation of intermediaries to access customers. <li data-bbox="1047 1045 1474 1297">3. The agents know more about the market that you want to get into and know their local market

order.

4. Impulse

more the e-commerce
 competing for shelf space
 and prices

Disadvantages	1. Extra	1. Less control on
	costs on storing and transporting stock, can become expensive and reduce profits	pricing, branding, quality of product and customer service.
	2. Oversee a	2. Lose profit margin to the intermediaries and have to share customer data.
	wider range of operations, this can affect the ability to remain innovative and competitive.	

Source: Own elaboration, (2024)

2.2.1. Importance of distribution in reaching the global market

There are three main reasons why distribution strategy is essential which are, increasing efficiency and cost savings, improving customer experience and expanding market reach and revenue growth.

First, the right distribution minimizes unnecessary steps in supply chains, so can solidify processes for significant cost savings. Second, creates a unified brand experience for customers at offline and even online touchpoints and can improve customer satisfaction. Third, unique distribution helps businesses access new geographical territories, demographics and partnerships. Multichannel distribution provides more opportunities to promote products and generate sales across different platforms. From Peuter-Rutten (2024).

2.3. Overview of Global Markets and Trends

2.3.1. Characteristics and dynamics of global markets

Globalization of markets and competition, in combination with advances in information technology and the Internet, are driving multinational companies toward integration of business processes across disparate country markets (Yip, 1989). (Sengun Yenyurt, S. Tamer Cavusgil*, G. Tomas M. Hult, 2004)

“Globalization forces engender companies to develop a new set of competencies that would enable the generation of abnormal returns in the global marketplace.” (“A Global Market Advantage Framework: The Role of Global Market Knowledge Competencies,” 2004).

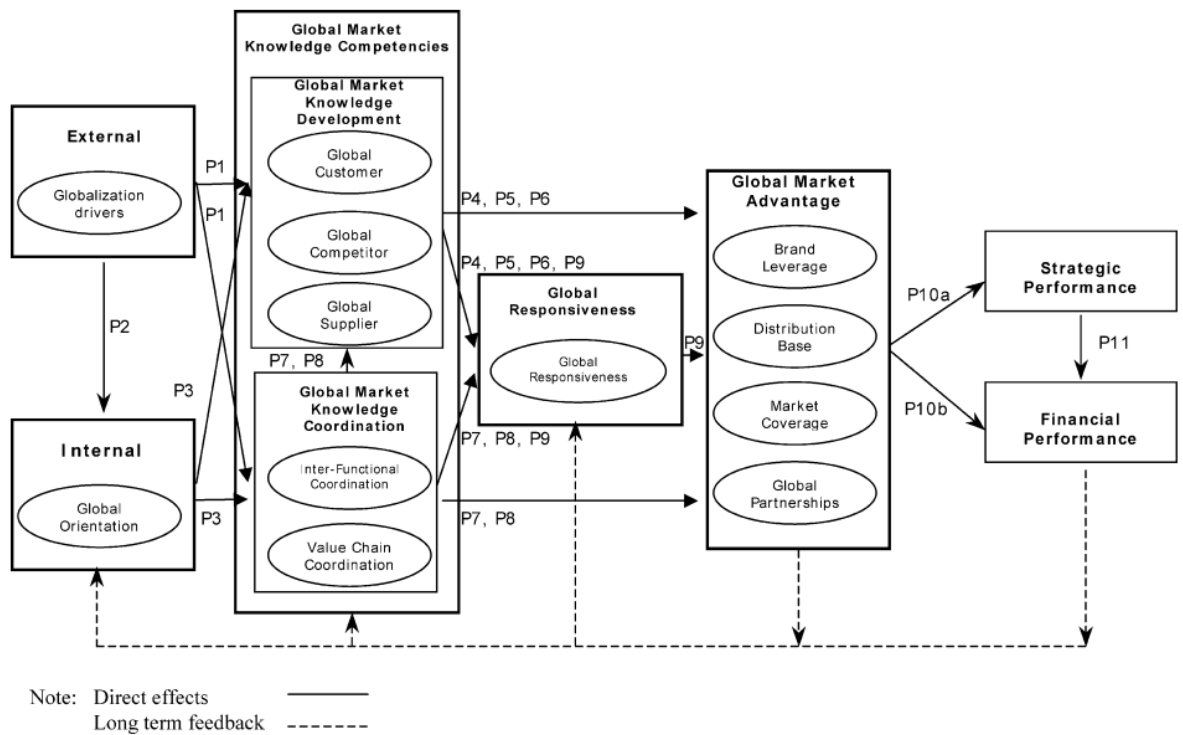
In the following flowchart outlines the relationships and possessions in global market strategies and performance. We will see different components some affect directly and short-term and others in the long-term, in the first case direct effects are all solid arrows represent

direct effects between the components and in the other case dashed arrows indicate long-term feedback loops, suggesting that outcomes like financial performance can eventually influence initial factors like globalization drivers and global orientation.

In this model, the components are external which refers to the globalization drivers, for example, technology, trade policies or any economic condition. Internal components are all global orientation such as internal capabilities and mindset oriented towards global operations.

Figure 5

Global Market competencies and advantages.



Source: A Global Market Advantage Framework: The Role of Global Market Knowledge Competencies. (October 16, 2004)

In the Global Market knowledge competency global market development means, a global customer, a global competitor and a global supplier, with global market knowledge coordination inter-functional coordination means, the coordination among different functions within the organization and Value Chain coordination implies efficient coordination of the value chain activities on a global scale, these activities are inbound logistics, operations, outbound logistics, marketing and sales, and services.

Another component is global responsiveness, where the ability to respond to global market changes and requirements is essential. The last item is Global market advantage implies brand leverage means using brand strength in global markets, distribution base establishes a strong distribution network globally, market coverage when occurs an extension of market reach and penetration and global partnerships refer to collaborations and partnerships across global markets.

Performance Outcomes are divided into two, strategic performance such as achievements in strategic goals and financial performance refers to financial outcomes and profitability.

This model emphasizes the dynamic and interlinked continuous improvement and adaptation in global market strategies.

To determine their connections or paths we can see:

P1: Globalization drivers and global orientation influence global market knowledge development

P2: Globalization drives the impact of global responsiveness

P3: Internal global orientation affects both global market knowledge coordination and global responsiveness.

P4, P5, P6: Global market knowledge development influences global responsiveness and global market advantage.

P7, P8: Global market knowledge coordination influences global responsibility and global market advantage

P9: Global responsiveness affects global market advantage

P10a: Global market advantage impacts strategic performance

P10b: Global market advantage impacts financial performance

P11: Strategic performance influences financial performance

“Most millennials are sojourners or individuals of mixed ethnicity, immigrants or individuals who have acquired more than one cultural identity and display a predisposition towards diversity” (Licsandru & Cui, 2019)

“One of the primary factors driving the market is the growing multiculturalism and globalization. Nowadays, Individuals have become more open to exploring diverse flavours and culinary traditions, thus escalating the demand for ethnic foods”(“A Global Market Advantage Framework: The Role of Global Market Knowledge Competencies,” 2004)

Many institutions and organizations control ethnic products in the international market. These are matters of international trade, and therefore, depending on the country, it must comply with several rules and regulations that will allow ethnic products to be available on the global market without any inconvenience.

“Social media has changed the way we communicate, interact, and consume. The power of social media platforms has become a game-changer for businesses, especially in the consumer goods industry. It has given businesses the opportunity to reach out to a wider audience and showcase their products to people from different parts of the world. Social media has also significantly impacted the popularity of ethnic products. Social media platforms are being used as a tool to promote and celebrate cultural diversity by showcasing ethnic products. In this section, we will discuss the impact of social media on the popularity of ethnic products, and how it is shaping the future of the consumer goods industry.”*Cultural Basket of Goods: Celebrating Diversity in Consumer Products - FasterCapital, n.d.*)

The following image illustrates the impact of social media on the popularity of ethnic products considering four key points.

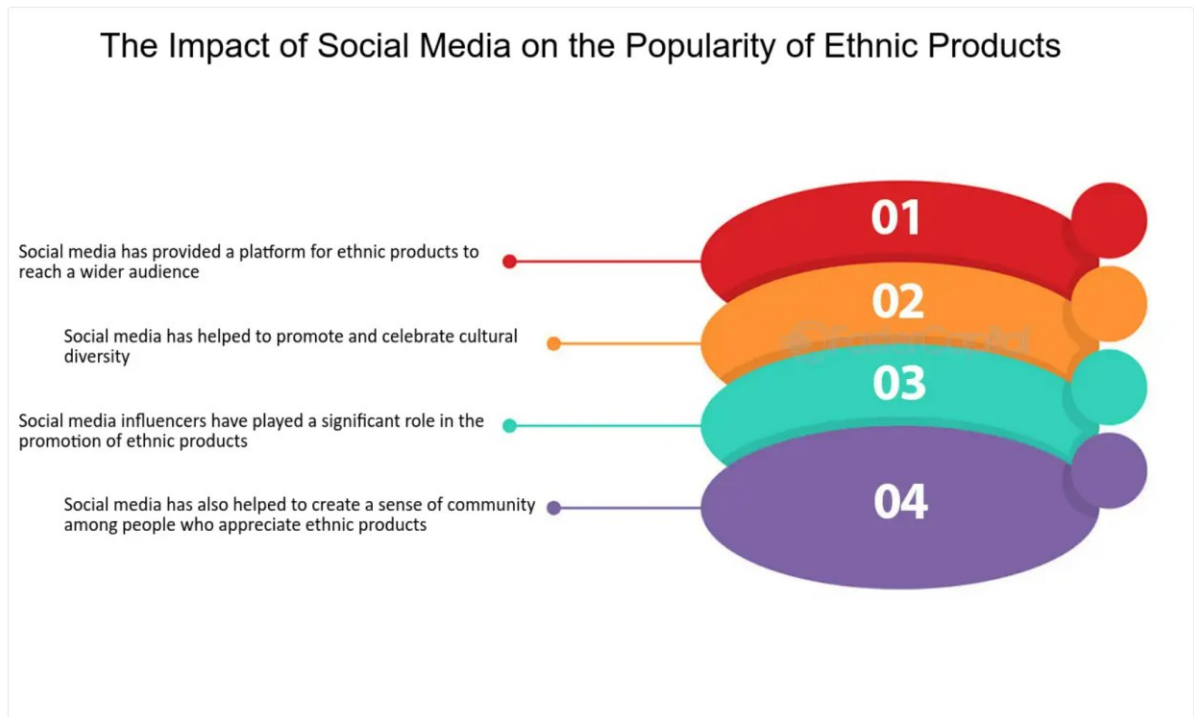
First, social media as a platform (colour red), the impact is by leveraging social media, ethnic products can gain exposure to a broader, global audience. This helps in increasing their visibility and accessibility to potential customers who might not have discovered these products otherwise.

Second, the promotion and celebration of cultural diversity (colour orange), through social media different cultures can showcase their unique products and traditions. This not only

promotes the products but also fosters appreciation and understanding of cultural diversity among users.

Third, the Role of influencers (colour teal), refers to influencers who have a large following and can introduce the ethnic products to their audience, often leading to increased interest and sales. Their endorsement can significantly boost the credibility and attractiveness of these products.

Fourth, a sense of community (colour purple), this impact is platforms like Facebook, Instagram and TikTok allow users to connect with others who share similar interests in ethnic products. This sense of community can lead to a loyal customer base and word-of-mouth promotion even e-word-of-mouth.

Figure 6*The Impact of Social Media*

Source: FasterCapital. Cultural Basket of Goods: Celebrating diversity in consumer products (June 9, 2024)

“Social media has also helped to create a sense of community among people who appreciate ethnic products. By following businesses that promote ethnic products, people can connect with others who share the same interests. This has led to the creation of online communities that celebrate and appreciate cultural diversity.”(*Cultural Basket of Goods: Celebrating Diversity in Consumer Products - FasterCapital, n.d.*)

2.4. Trends and statistics related to the consumption and distribution of ethnic products

One case is about the ethnic foods market. In this sector cultural diversity is a significant factor that allows growth in the global market for ethnic food, nowadays it is more common to see natural demand for food options and in restaurants, supermarkets and food shops offer diverse options from different traditional dishes and products. (*Ethnic Foods Market Size, Share, Growth, Report 2024-2032*, n.d.)

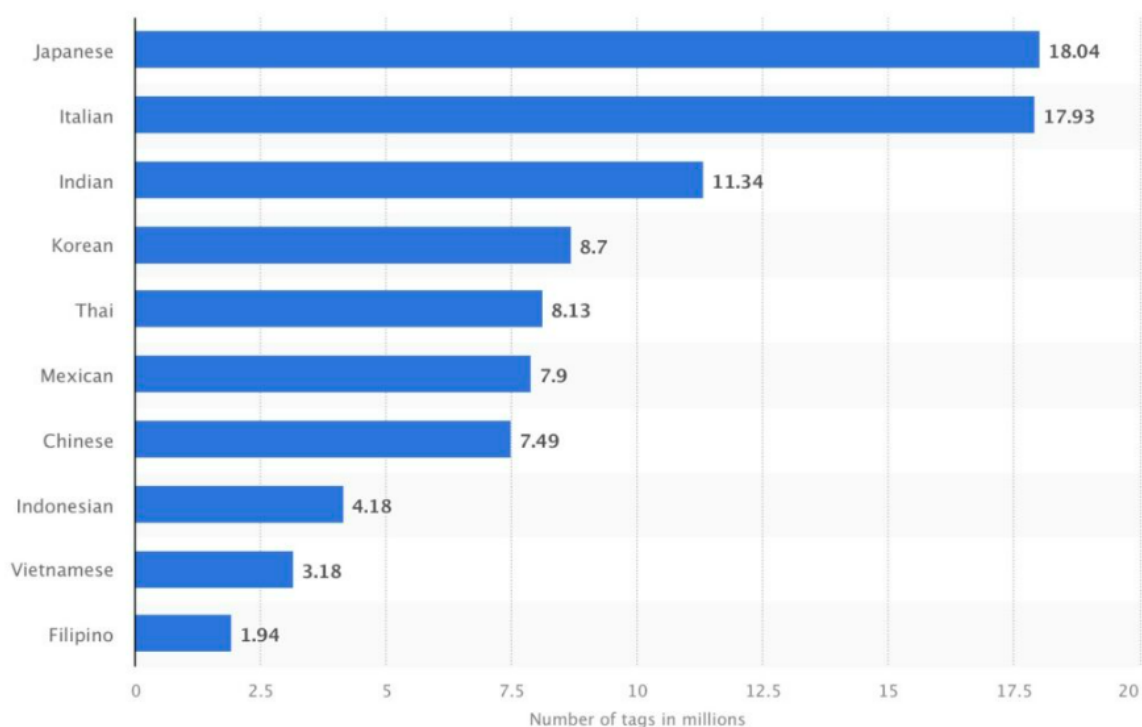
Due to social media platforms, tourists can seek out local flavours, and culinary ideas and on these platforms people can watch content that enables virtual interest in ethnic food or other products such as clothes. (*Ethnic Foods Market Size, Share, Growth, Report 2024-2032*, n.d.)

Another trend is to prioritise healthy eating, ethnic cuisines are often perceived as containing fresh, natural and less processed ingredients, for example, Asian cuisines are popular for fresh vegetables, and healthy fats and consumers realise that and become more health-conscious and thus can drive dietary preferences and lifestyles. (*Ethnic Foods Market Size, Share, Growth, Report 2024-2032*, n.d.)

“The hypermarkets and supermarkets segment dominated the market for ethnic food and held the largest revenue share of over 35.0% in 2021. Developments in the organized retail sector and growing number of hypermarkets and supermarkets across the world are anticipated for the highest market share” (*Ethnic Food Market Size, Share & Trends Analysis Report by Distribution Channel (Hypermarkets & Supermarkets, Convenience Stores, Grocery Stores, Online) 2022 - 2028*, 2022)

Figure 7

Most popular cuisines worldwide (Feb. 2022) based on Instagram tags



Source: Manatex. Ethnic Food Market: Export Opportunities (2024)

In the image above we can see the comparison between countries regarding the behaviour of tags in Instagram and we can assume the difference between countries especially with the first two countries Japan and Italy, countries that have stood out around the world for the habit that people cook a lot, show part of their country thanks to cooking and thus have a greater impact compared to the others.

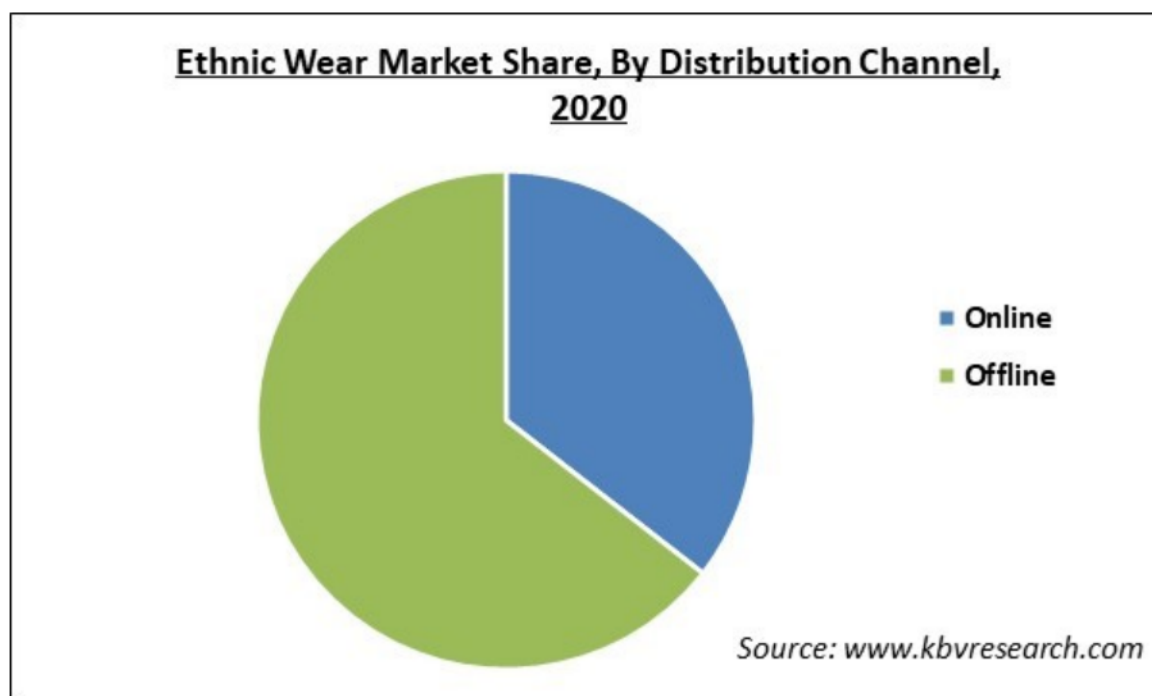
According to the data provided by Research Reports World, the size of the worldwide Ethnic Food market has reached 52 billion USD in the year 2022. This market is expected to

grow annually by 7,64 % CAGR. Thus, it will cross 80 billion USD in 2028. It makes this category very attractive for both: exporters and importers. (Manatex, 2024)

“The online segment is expected to witness a CAGR of 9.6% over the forecast period in the market for ethnic food. Increasing use of smartphones and increasing affordability of internet connection are expected to drive the growth of the segment. According to the World Economic Forum, currently over half of the world’s population are connected to mobile internet, and mobile network data traffic continues to grow.”*Ethnic Food Market Size, Share & Trends Analysis Report by Distribution Channel (Hypermarkets & Supermarkets, Convenience Stores, Grocery Stores, Online) 2022 - 2028, 2022)*

Figure 8

Ethnic Wear Market Size



Source: Industry Analysis Report and Forecast, 2021 - 2027. In KBV Research. Ethnic Wear Market (2022)

“Based on Distribution Channel, the ethnic wear market is bifurcated into online and offline. The online store segment is anticipated to exhibit a prominent growth rate during the forecast period. The COVID-19 pandemic has motivated consumers to reconsider their life priorities, which would lead to new values and spending norms.” D’Souza and Singh (2022)

In the image we can see how more than 50% belongs to the offline channel in 2020, despite having the help of technology and all the digital era in that year was presented much inclination or preference for the non-digital because despite many advances, the textile industry needs many more advances especially in ethnic clothing, as it can be considered mostly clothing artisans, clothing that people follow traditions and being part or in conjunction with technology has to be a change in adaptable due to the techniques used to develop this type of product.

According to D’Souza and Singh Recent strategies in the ethnic wear market companies more and more are implementing partnerships, collaborations and agreements and thus can expand their geographical footprint, companies are supported by opening new stores, launching new style lines, reaching shoppers in a specific sector as luxury shoppers’ new generations, developing companies images and brand’s signature D’Souza and Singh (2022).

2.4.1. Challenges and Opportunities

Maintaining authenticity while appealing to a broad consumer base, managing supply chain complexities, especially for imported ingredients, and navigating varying regulatory environments across different regions. (Ethnic Foods Market Size, Share, Growth, Report 2024-2032, n.d.)

There's potential for innovation in product development and packaging, adapting traditional ethnic recipes to suit contemporary tastes and dietary requirements. The market also offers opportunities for educating consumers about different cultures through food, thus promoting cultural understanding and diversity. (Ethnic Foods Market Size, Share, Growth, Report 2024-2032, n.d.)

2.5. Distribution Channels and Strategies

2.5.1. Different distribution channels commonly used in international trade

“One of the most traditional yet effective distribution channels is through a direct sales force. This approach involves hiring a team of sales representatives who directly interact with potential customers, showcase the product or service, and close deals.” (*Effective Distribution Channels for Market Penetration - FasterCapital*, n.d.)

“Retail Partnerships: Collaborating with established retailers can provide an excellent opportunity to penetrate new markets. By partnering with retail giants or local stores, businesses can tap into their existing customer base and gain instant visibility” *Effective Distribution Channels for Market Penetration - FasterCapital*, n.d.)

“Wholesale Distribution: Wholesale distribution allows businesses to reach a wider audience by selling their products in bulk to other retailers. This approach enables market

penetration by expanding the product's availability across multiple locations.” Effective Distribution Channels for Market Penetration - FasterCapital, n.d.)

“Distribution Partnerships: Collaborating with distribution partners can be highly beneficial for businesses aiming to penetrate new markets. By working with distributors who have an established network, businesses can gain access to a wider customer base and benefit from their expertise in reaching specific demographics.” Effective Distribution Channels for Market Penetration - FasterCapital, n.d.)

“Direct Mail and Catalogs: While digital marketing has become increasingly popular, traditional direct mail and catalogs still hold value in market penetration strategies. Sending targeted mailers or catalogs to potential customers can generate interest and drive them to make a purchase.” Effective Distribution Channels for Market Penetration - FasterCapital, n.d.)

2.5.2. Advantages and disadvantages of each distribution strategy penetrating global markets with ethnic products

Ethnic products have a particularity and they have unique characteristics, the choice of distribution strategy should be aligned with the nature of the products, the target market and brand goals.

We can identify each distribution strategy's advantages and disadvantages which are:

Intensive distribution advantages: Ethnic products can maximize exposure, often new or niche in many markets, benefit from being widely available, helping to quickly build awareness. The convenience for diverse audiences makes it easier for people from diverse ethnic product

backgrounds to find their traditional products, catering to a dispersed population. Also, faster entry into new markets can be achieved, increasing potential sales volume.

Intensive distribution disadvantages: High availability can sometimes lead to products being placed in stores where they may not resonate with the local culture or where the target customers do not shop so cultural misalignment is evidenced. There are quality and authenticity risks because intensive distribution can lead to challenges in maintaining product quality and authenticity, which are crucial for ethnic products. Also, overexposure might lead to the products being perceived as common or low-end, which can be harmful if the brand relies on its unique or premium positioning.

Exclusive distribution advantages: It is easier to ensure that the ethnic products are handled and presented correctly, maintaining their authenticity and quality. Partnering with specialized retailers who understand the ethnic products' cultural significance can enhance the brands' reputation so cultural fit is essential, and creating a sense of exclusivity can elevate the perceived value and prestige of the ethnic product.

Exclusive distribution disadvantages: The strategy might not cater to a broader audience who are interested in ethnic products but are not within the reach of the exclusive retailer, market segmentation is key. Relying on a few retailers can be risky if those partners fail to effectively promote or support the product thus creating a high dependency, and the products are accessible to fewer customers, which can slow down market penetration and reduce potential sales with a limited reach.

Selective distribution advantages: Offers a middle ground, allowing the brand to maintain a degree of control while still reaching a wider audience than exclusive distribution so need to be

a balanced approach, another is that ethnic products can be placed in select stores that align with the brand's target market, ensuring better cultural fit and customer engagement as a strategic placement and the partnerships with selected retailers can lead to better support, as these retailers are more invested in the success of the products.

Selective distribution disadvantages: Requires the careful selection and ongoing management of retailers to ensure consistency in brand messaging and product presentation, also the products need to be positioned consistently across different retail environments to avoid confusing customers about the brand image identity and value proposition so potential for mixed signals and market reach.

2.6. Supply Chain Management

2.6.1. Factors that Influence and Affect the Strategies of International Distribution

“Distribution channel decisions can result in the success or failure of the products of MNCs. According to Tanner and Raymond (2012), distribution channel decisions are as important as the decisions MNCs make about the prices and features of products. Carr (2013) asserted that one of the crucial elements in global expansion is the distribution channel strategy.” (“Factors Affecting International Marketing Strategies: Pricing, Channel Structures and Advertising,” 2011)

The factors that can influence and must be taken into account are characteristics of distribution strategy, product characteristics, market and consumer, competitive climate, company factors and foreign market's government, regulations and local customs.

2.6.2. Best Practices on Innovative Approaches in Supply Chain Management for ethnic products

“Today, many companies have established collaborative networks with partners to reinforce their competitiveness. The success of inter-organizational innovations depends on the ability of firms to mobilize their partners in a profitable way (Pohle and Chapman, 2006). Collaboration between partners must therefore allow companies to increase the value provided to customers while respecting cost and time constraints (Zhao et al., 2008). In this way, collaboration positively impacts innovation, insofar as companies that do not internally possess the resources and expertise to innovate, will seek them from their partners (Cao and Zhang, 2011).”Lavastre et al. (2014.)

2.7. Market Accessibility and Entry Strategies

2.7.1. Barriers to entry in different countries

“Our findings support Porter's (1980b) six proposed barriers to market entry: cost advantages of incumbents, product differentiation of incumbents, capital requirements, customer switching costs, access to distribution channels, and government policy.” (“Barriers to Entry and Market Entry Decisions in Consumer and Industrial Goods Markets,” 1989)

Michael Porter’s Six Barriers to Entry are key factors that can prevent companies from entering a new market. These are crucial for understanding the competitive dynamics.

The relevant explanation for entering a market with ethnic products:

1. Economies of Scale, cost advantages appear due to large-scale production, allowing them to offer lower prices that new entrants may not be able to match

without similar volumes. In this case, new entrants may struggle to achieve cost efficiencies if they can not produce ethnic products at scale, making it difficult to compete in the market price with established brands.

2. Product differentiation, where established companies have brand loyalty and customer relationships that compete for new entrants to attract customers. If existing brands have strong recognition and trust within ethnic communities, new entrants may find it challenging to differentiate their products and build a customer base.
3. Capital requirements, entering a market often requires substantial financial investment in production, marketing and distribution so, the need for investment in authentic sourcing, quality control, and culturally appropriate marketing can be significant.
4. Access to Distribution Channels, companies already established have strong relationships with distributors and retailers and know the proper way of distribution and it is difficult for new entrants to secure shelf space or any visibility offline and online. Securing distribution channels that reach the target ethnic communities can be a major hurdle. Established players might dominate the preferred channels.
5. Cost Disadvantages independent of Scale, established brands may have proprietary technology, access to the best raw materials, favourable locations, or learning curve advantages, while new entrants may lack access to unique

ingredients, traditional methods of production, or the expertise needed to produce authentic ethnic products at a competitive cost.

6. Government policy, trade policy, certification, regulations for authentic even ethnic products, and varying food and safety regulations across markets can create significant obstacles for new companies trying to enter the market.

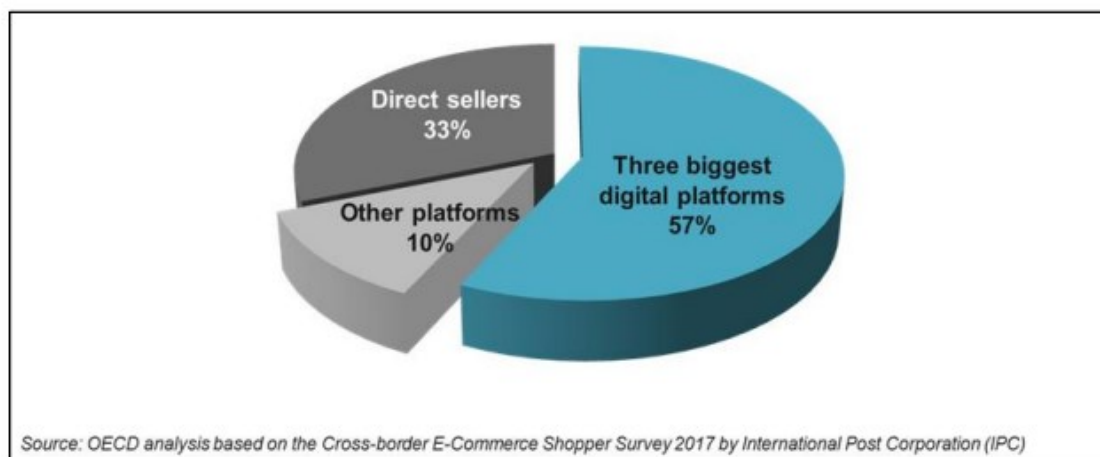
2.7.2. Integration of Technology and E-commerce

The role of technology, digital platforms, and e-commerce facilitates the international distribution of ethnic products. This is a tool where companies can sell their products directly to their customers so that the distribution strategies would be better applied for a direct strategy.

According to the OECD, “The increasing digitalisation of the economy has fundamentally changed the nature of retail distribution channels for sales of goods and services/intangibles to private consumers (business-to-consumer or B2C sales). Traditionally, a consumer would purchase from a local store. Now their first port of call is frequently a website of that store, an online supplier in the case of digital goods, a seller based in another country or increasingly a digital platform through which many suppliers make sales.” (2019)

Figure 9

Global E-Commerce Sellers by Category in 2017



Source: OECD. The Role of Digital Platforms in the Collection of vat/gst On Online Sales. (2019)

The pie chart show three categories:

- **The three biggest digital platforms (57%):** Amazon (the biggest marketplace and online retailer, eBay (shopping website) and Alibaba (Multinational conglomerate specialising in e-commerce)
- **Direct Sellers (33%):** Companies websites and Social media shops
- **Other platforms (10%):** Etsy, Rakuten and Shopify store

2.7.3. Opportunities and challenges with e-commerce platforms for reaching global consumers with ethnic products

“To use these platforms as communication channels to provide accurate and timely information to underlying suppliers on their VAT/GST obligations. It is notable that several digital platforms have spontaneously taken initiatives to communicate with their underlying suppliers on their VAT/GST obligations in the various taxing jurisdictions” (GoCardless, 2022).

“This creates the opportunity to move the collection of the VAT/GST on the supplies of imported goods from online sales away from the border, and thus to limit or remove the need for customs authorities to intervene in the VAT/GST collection on these imports while allowing them to focus on key tasks concerning the safeguarding of health and security. This is particularly attractive for imports of goods that are subject to import VAT/GST but that have a value below the de minimis customs threshold, i.e. low-value good” (OECD, 2019)

It is important to clarify that VAT stands for Value Added Tax, the tax that is applied to the purchase price of goods and services and GST means Goods and services Tax, it is a consumption tax imposed upon the cost of goods and services (GoCardless, 2022).

“Data suggest that such imports of low-value goods represent the vast majority of packages that reach the borders from online trade, and create increasingly significant logistical challenges for customs authorities to process” (OECD, 2019)

“VAT/GST obligations can present challenges to businesses engaging in cross-border e-commerce whether it is because the businesses do not know the applicable VAT/GST rate for a particular good or service in the taxing jurisdiction, invoicing, record keeping and reporting obligations. This is particularly true when a business makes sales to various different countries.” (OECD, 2019)

2.7.4 Emerging Trends and Innovations in Technology-driven Distribution Strategies for Ethnic Products

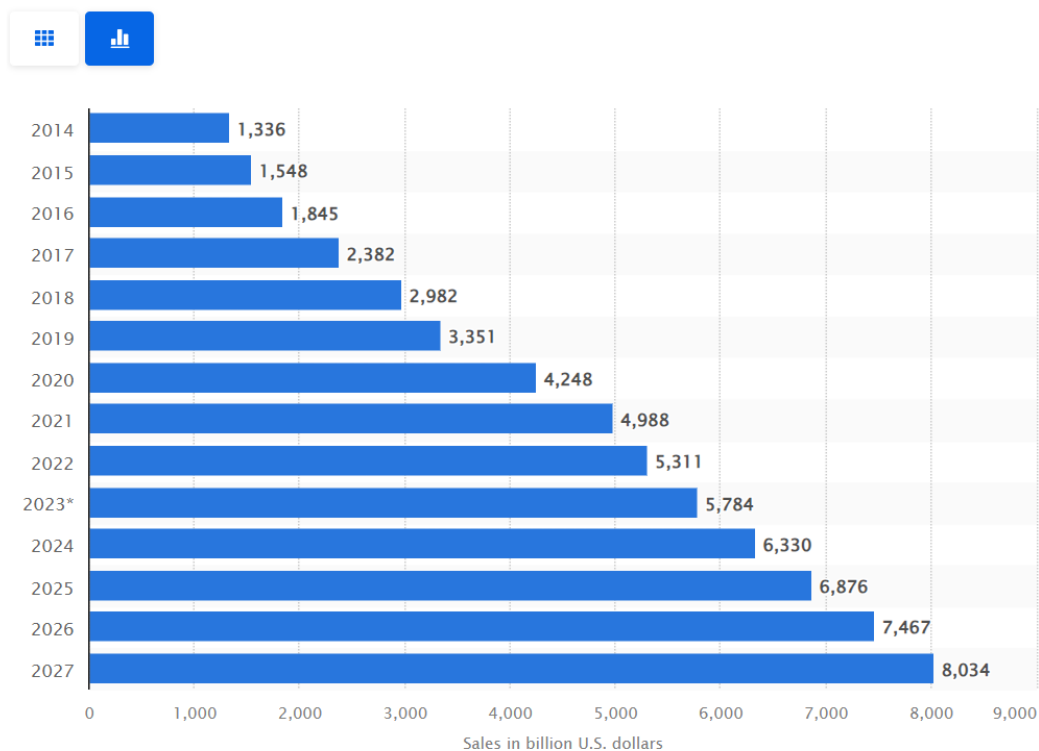
“With technological advancement, distribution management is undergoing a transformative shift. As industries become increasingly competitive and customer expectations continue to rise, businesses must stay ahead of the curve to thrive.” Bhd (2023)

According to Statista, global e-commerce sales are projected to reach \$6.38 trillion by 2024, underscoring the importance of optimizing distribution channels for online success. (2024)

“Embracing emerging trends and technologies can position businesses for success in a rapidly changing landscape. By leveraging e-commerce, IoT, data analytics, automation, and blockchain, companies can optimize their distribution channels, enhance operational efficiency, and deliver superior customer experiences.”Bhd (2023)

Figure 10

Retail e-commerce sales worldwide 2014- 2027

Retail e-commerce sales worldwide from 2014 to 2027*(in billion U.S. dollars)*

Source: Statista. Global retail e-commerce sales 2014-2027. (February 6, 2024).

Some innovative steps that can be used are: to identify the customer needs and preferences, analyse the current distribution channels, explore new distribution channel options then select and implement the best distribution and thus create a competitive advantage in the distribution channel for ethnic products.

3. Summary and Gaps in the Literature

Through the previous literature review, we can better understand the dynamic of the distribution of ethnic products that have been working in the past, and how work in the future, thanks to technology and other advances that allow ethnic products to be more and more present in global markets.

It is key that depending on the market wants to arrive, the customer habits and preferences and the resources that the company has permit ethnic products to be offered in the global markets because if any of these aspects are not taken into account the probability of failure for this type of products will increase significantly and the success of their distribution would be insignificant.

3.1 Gaps and Inconsistencies

There are many sectors where any ethnic product can be, so it is important to evaluate and segment the market or the product to have a better view of the strategies that can be implemented to be distributed in the market. Otherwise thanks to previous studies we can see in a general view what are the industries where there are more studies as were the case of clothes and food ethnic products.

On the other hand, areas such as regulations and legislations of exporting and selling ethnic products from the local and the destination of the product need further research to advance understanding of international distribution strategies for ethnic products in global markets.

4. Hypotheses

Focus on how different strategies of distribution affect commercialization and the success of ethnic products in the global market the hypotheses in this research are:

Investing in culturally relevant marketing increases awareness and acceptance of ethnic products in the global market. Marketing campaigns that respect and reflect the cultural diversity of the consumers can positively impact the perception of ethnic product demand and indirectly increase customer loyalty.

5. Methodology

For this research, we seek to implement a quantitative method that will be carried out providing a survey to individuals collecting data on aspects related to cultural preferences, market accessibility, and other important aspects.

For academic reasons the qualitative method will not be considered, for other studies as a recommendation for this method it would be a good idea to study through the analysis of case studies that not only show companies that have successfully implemented distribution strategies for ethnic products in global markets but also, we can different aspects of the research problem.

5.1. Quantitative method

In this project will be conducted a survey distributed into eight sections, starting with a brief introduction of the reason for this research, it continues providing some questions about demographic information, distribution preferences, cultural considerations, market accessibility,

distribution strategies and more at the end the respondents will give us feedback and suggestions about the survey or any experience related to the research, and thank participants for their participation.

The general outline will be structured first, to introduce the explanation of the purpose of the research and how the respondents would contribute to the research. In this survey we will collect demographic information such as geographic location, age, gender and any demographic patterns in distribution preferences and behaviours, we will ask about what distribution channels are chosen for purchasing ethnic products (physical stores or online platforms). Another aspect to evaluate is the cultural considerations, what the cultural factors influence the buyer's preferences and identify their cultural background understanding the ethnic heritage, cultural identity and familiarity with ethnic products, as well as, market accessibility, ask about availability, affordability and awareness of ethnic products in their local markets or if they have had the opportunity to buy the ethnic products in a foreign country. Then, ask about distribution strategies, recognise what are the strategies that companies commonly use to commercialise ethnic products internationally and thus ask participants about the effectiveness of these strategies and highlight which strategies are more suitable for reaching global consumers.

Additionally, in the section on feedback and suggestions, the participants will have the opportunity to share any experience that they have had about buying ethnic products, or related to the international distribution of ethnic products and to comment on any suggestion to give insight on opportunities and best practices in this field.

6. Analysis and Results

6.1. Analysis: Questionnaire responses

Through a Google form, the questionnaire of this project was developed with 11 questions in multiple Choice, 2 questions on a rating Scale and 4 open questions, the sample size was 110 respondents for 7 days, in the beginning, we focused on questions about the relation or the experience of buying ethnic products and at the end the questionnaire we asked 4 out of 17 questions about demographic aspects such as gender, age, and ethnicity the questions were written in English, and took about 5 minutes approximately to answer.

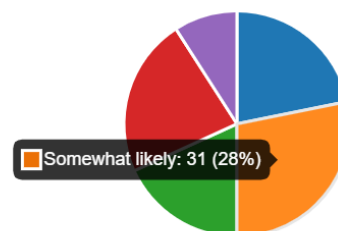
Figure 11

First Question: How likely people do online research before buying an ethnic product

1. How likely are you to do online research about a product before buying an ethnic product?

[Más detalles](#)

● Very likely	24
● Somewhat likely	31
● Neither likely nor unlikely	20
● Somewhat unlikely	25
● Very unlikely	10



Source: *Forms.office (2024)*

28% of people are likely to do online research about a product before buying an ethnic product. People care about online reviews, suggestions and comments, but not only this also, to

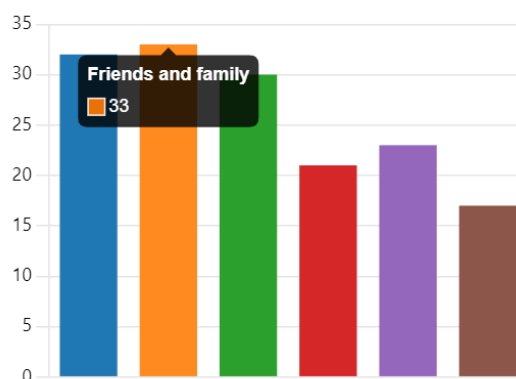
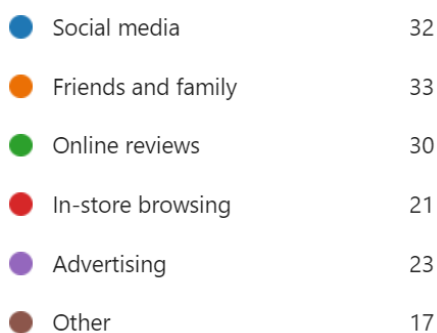
ensure the quality of the product, cultural significance, ingredients or materials, care instructions and reputation of the product.

Figure 12

Second Question: How do people usually learn about new ethnic products

2. How do you usually learn about new ethnic products?

[Más detalles](#)



Source: *Forms.office* (2024)

To clarify what means in each option we have the following examples as follows:

- **Social Media:** Facebook, Instagram, Tik Tok, etc
- **Friends and family,** are more common as word-of-mouth (WOM)
- **Online reviews:** TripAdvisor, blogs
- **In-Store browsing:** People visiting store without any intention to buy
- **Advertising:** offline and online
- **Other:** restaurants, festivals, shows, documentaries, among others

People are closer to what others say and recommend, especially for people close to them, that is why are friends and family in comparison to online reviews where people can comment their opinions in websites or blogs and they are external to you.

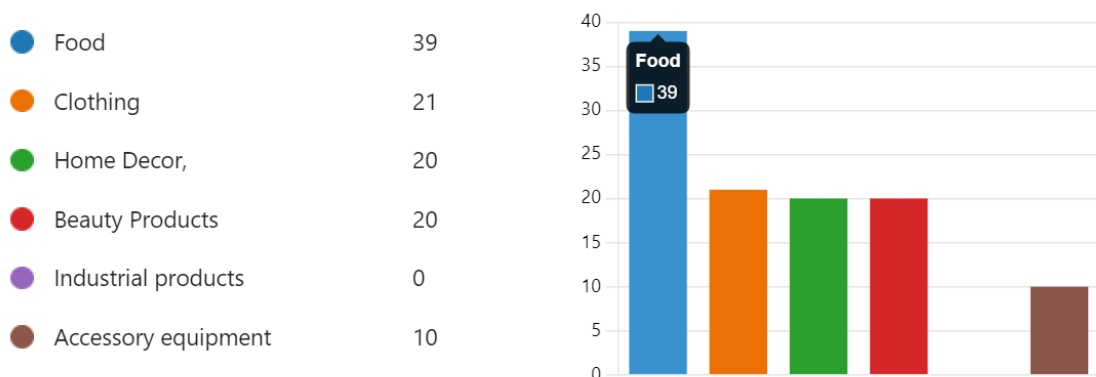
Friends and family were the one that got the most votes because the people generally trust more in their loved ones, based on their personal experience and cultural knowledge. When you try a completely new product people are more aware of their care or if the products may cause harm. Also, it is important to take into account the word-of-mouth (WOM) that can impact the decision because support, shared values and preferences could be very similar between the familiar and the customer, making the buying process more comfortable.

Figure 13

Third Question: What type of ethnic product are most frequently bought

3. What types of ethnic products do you buy most frequently?

[Más detalles](#)



Source: Forms.office (2024)

To clarify what means in each option we can determine as follows:

- **Food:** Grocery, vegetables and fruits, grains, meats and seafood, spices and condiments among others.
- **Clothing:** Hand-made or industrial fabrication
- **Home Decor:** tapestries, ceramics, statues, etc.
- **Beauty Products:** pharmaceutical or cosmetics
- **Industrial products:** Machinery, raw materials, electronic devices.
- **Accessory Equipment:** jewelry, bags and pouches, clothing accessories such as scarves or belts, etc

People often buy more ethnic food products compared to other types of ethnic products and it is relevant for several reasons but mainly is due to the cultural connection, social experience enjoyed in social events, curiosity and exploration to taste new flavours. Also, there are other reasons because of being easy to integrate in the diet or routine, another reason is culinary trends to those who are looking for new experiences, or even sensory appeal visually can be enticing.

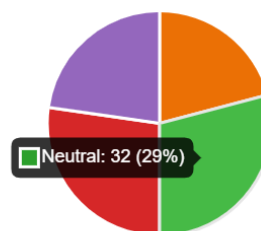
Figure 14

Fourth Question: How likely is UGC have a impact on ethnic product purchase decision

4. How likely is online user-generated content such as customer reviews have an impact on ethnic product purchase decision?

[Más detalles](#)

● Very unlikely	0
● Somewhat unlikely	23
● Neutral	32
● Very likely	30
● Somewhat likely	25



Source: Forms.office (2024)

More and more UGC or User-generated content impact customer purchasing decisions and it is a good idea to share opinions and experiences through different social media to watch videos and UGC talking about ethnic products, specially around the world.

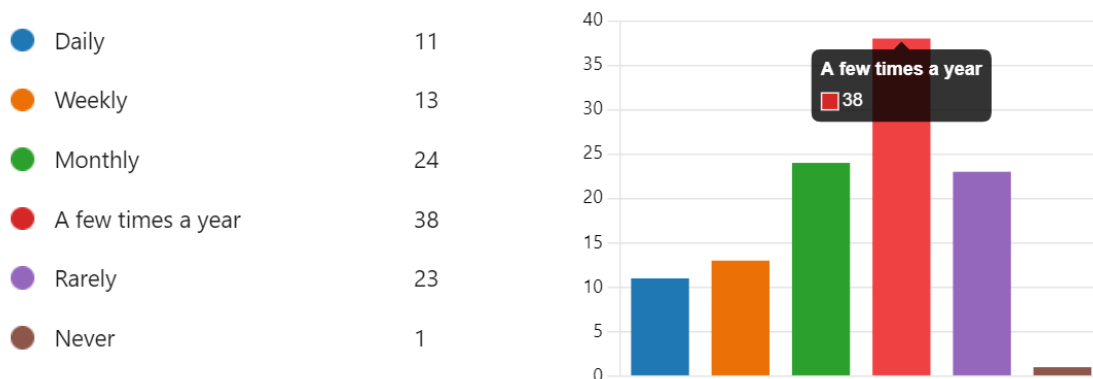
Taking up the fact that people are looking for reviews on ethical products, UGC is a fundamental part of giving their opinion, especially giving their interactive feedback while sharing their experience and showing the product more closely before consuming or buying it allowing the connection or sense of community.

Figure 15

Fifth Question: How often people purchase ethnic products

5. How often do you purchase ethnic products?

[Más detalles](#)



Source: Forms.office (2024)

People are not likely to buy ethnic products frequently, the majority answered “A few times a year”. There are many reasons for examples some limitations such as limited availability, especially for those which are authentic and traditionally made are not easily to find in many markets or in different countries. Other reason is the higher cost, ethnic products can be more expensive because of the costs involved in manufacturing. As the third reason, the cultural relevance, in this case people buy certain ethnic products for special occasions. Also, the lack familiarity can stem from a lack of knowledge about using the products or their benefits. Other example is market saturation, where sellers feel they are offering more quantity of the products to customers than is expected to buy from buyers, but the case is the customers really need or want these product but there are not enough in the market.

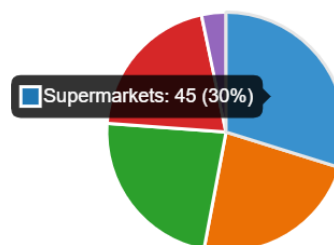
Figure 16

Sixth Question: Where do people typically purchase ethnic products

6. Where do you typically purchase ethnic products?

[Más detalles](#)

● Supermarkets	45
● Specialty ethnic stores	35
● Online marketplaces	35
● Local markets	31
● Other	5



Source: Forms.office (2024)

To clarify what means in each option we can determine as follows:

- **Supermarkets**, such as “Carrefour”, “Lidl”, “Walmart”, “Target” among others
- **Specialty ethnic stores**: variety of ethnic products around the world in a same place
- **Online Marketplaces**, like “Amazon”, “Mercado Libre”, “Aliexpress”, etc
- **Other**, like Cultural festivals and fairs,

People is more likely to buy ethnic products in supermarkets first, because of their convenience are more often more accessible, also due to the variety, the supermarkets have the advantage that they can sell a wide variety of products, and customers can explore easily different products physically in one place, another advantage is the sampling and demonstrations these options encourage and transmit trust to customer to buy ethnic products also is the case of specialty ethnic stores.

Online marketplaces often offer unique and hard-to-find ethnic products that are not available in mainstream retail stores. Marketplaces frequently host cultural events, festivals, and special market days focused on specific ethnic communities. These events draw in crowds and create a festive atmosphere, encouraging purchases of ethnic products.

Figure 17

Seventh Question: Level of agreement for better customer experience in online and offline channels for ethnic product

7. Indicate your level of agreement for better customer experience at the following channels for ethnic products.

[Más detalles](#)

■ Strongly Disagree ■ Disagree ■ Neutral ■ Agree ■ Strongly Agree



Source: *Forms.office (2024)*

To clarify what means in each option we can determine as follows:

- **Online:** e-commerce platforms, specialty online retailers, brand websites, social media

Neutral: 29.1%

Agree: 33%

Strongly agree: 31,8%

- **Offline:** ethnic grocery stores, farmer's markets Import stores, community centers or cultural organizations.

Neutral: 27.3%

Agree: 39.1%

Strongly agree: 29,1%

The combination of both channels (offline and online) allows a research online and purchase offline (ROPO), its advantage is that customers can have detailed information and the ability to physically inspect products.

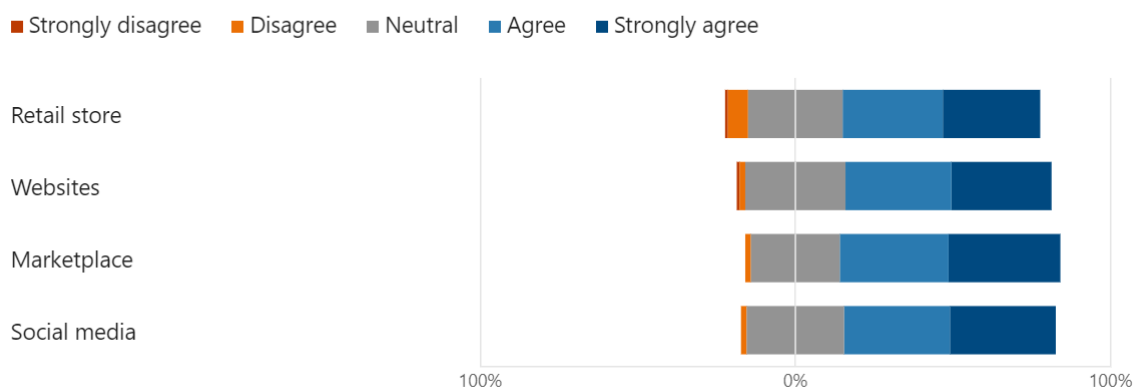
Better customer support, while online the customer is having online tools such as reviews, chat and in the case of offline, the customer can obtain face-to-face assistance having both aids have more chance to have a better comprehensive support.

Figure 18

Eighth Question: Level of agreement for better customer experience in specific online and offline channels for ethnic product

8. Indicate your level of agreement for better customer experience for ethnic products at following channels

[Más detalles](#)



Source: Forms.office (2024)

The results exactly were:

- **Retail Store:**

Strongly disagree: 0,9%

Disagree: 6,4%

Neutral: 30%

Agree : 31.8%

Strongly agree:30,9%

In retail stores, they offer the best immediate gratification because, can take those products immediately at home and they do not need to wait for the delivery. Another advantage

is customers can touch and in some cases try the products, also can have a personal interaction with people who know about the product and can give customers more important or relevant information about the product.

- **Websites:**

Strongly disagree: 0,9%

Disagree: 1,8%

Neutral: 31,8%

Agree: 33,6%

Strongly agree: 31,8%

E-commerce allows a broader range of products compared to physical stores, so customers can know the availability of the product and allows them to shop anytime and from anywhere, making it highly convenient, even customers can easily compare prices across different websites to find the best deals.

- **Marketplace:**

Strongly disagree: 0%

Disagree: 1,8%

Neutral: 28,2%

Agree: 34,5%

Strongly agree: 35,5%

The biggest advantage shopping on the marketplace is, they offer multiple shipping options, including international delivery. This expands the availability of ethnic products to a global audience. Also, the convenient features like easy search functionality, filters, and

personalized recommendations. These tools make it easier for customers to find exactly what they are looking for.

- **Social media:**

Strongly disagree:

Disagree: 1,8%

Neutral: 30,9%

Agree: 33,6%

Strongly agree: 33,6%

It offers a strong community and engagement, implies the target advertising directly due to the customers habits, preferences, interests and behaviours. Social media platforms are excellent for discovering new products and brands through posts, stories, ads and recommendations.

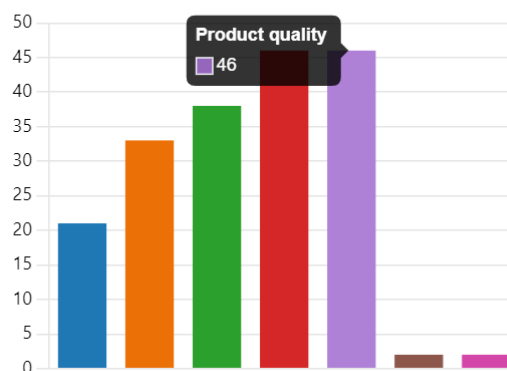
Figure 19

Ninth Question: Reason for purchasing any ethnic product

9. Please select the reason for purchasing any ethnic product. Select all that apply.

[Más detalles](#)

● Preferred brand	21
● Need	33
● Locally owned, made or sourced	38
● Sentimental value	46
● Product quality	46
● Adherence to laws	2
● Otras	2



Source: Forms.office (2024)

Sentimental and product quality are the majority voted, and it could be relevant due to the cultural connection, ethnic products in most of the cases represent a cultural heritage and traditions, making people stay connected to their roots and identity. Using ethnic products can be a way to preserve and pass down cultural practices and traditions.

Ethnic products often carry stories that create a strong emotional bond between the product and the consumer, many ethnic products evoke fond memories it makes creating a sense of nostalgia and emotional comfort especially where you are living abroad.

The rest of the options such as locally owned, need and preferred brand could be the reasons for the uniqueness and exclusivity, some ethnic products offer unique designs, flavours, and experiences that are not the same to the rest products in the market. In the situation of supporting local economies, customers can support local artisans, farmers or small businesses, contributing to the economic well-being of the communities. And for the environment, ethnic products are produced using sustainable practices and materials, appealing to environmentally conscious consumers.

Figure 20

Tenth Question: Improvements in availability of ethnic product where people live

10. What improvements would you like to see in the availability of ethnic products in your area?

[More details](#)

 Information

110

Answers

Most recent answers

"unique cooking ingredients used in ethnic recipes"

"Ethnic cooking kits"

"Availability of artisan and handmade ethnic products"

 Update

16 respondents (16 %) answered **ethnic products** for this question. ...



A word cloud visualization showing the most common terms used by respondents to describe improvements for ethnic products. The central and largest word is "ethnic products". Other prominent words include "store", "quality of products", "product packaging", "product freshness", "new products", "product selections", "types of products", "copy products", "variety of products", "ethnic food", "Latin products", "products more available", "significance of the product", "gastronomy products", "ethnic communities", "cosmetic products", "product labels", "ethnic communities", "products are expensive", and "descriptions of products".

Source: Forms.office (2024)

The improvements proposed by respondents are summarised as follows:

1. More control to minimise the copying of original products.
2. Improved packaging to better preserve the products, especially in physical shops or supermarkets, and better presentation.
3. More variety or quantity of products offered in the market as they are sold out very quickly.
4. To have available fresher products or products whose expiry date is not so close to be able to have these products for a longer period of time, especially for food products.

5. The price of ethnic products is very high in most cases, which is detrimental to the economic capacity of the clients to buy these types of products, promotions or coupons are proposed to be able to access the purchase of ethnic products.

Figure 21

Eleventh Question: Which ethnic products are difficult to find

eleven. Are there specific ethnic products you find difficult to obtain? If so, please list them.

[More details](#)

 Information

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Answers

Most recent answers

"Pre-cooked gyro meat available in the frozen section"

"Greek spinach and feta pastry"

"French cheese spread available in supermarkets"

 Update

8 respondents (8 %) answered **products** for this question. ...



Source: Forms.office (2024)

It is very interesting to see how around the world there are products that are easily available depending on where you are in the world, it is mostly difficult to obtain very specific, rare or irreplaceable spices or seasonings. On the other hand, some people find it difficult to find beauty or cosmetic products, even though it is a very competitive industry, there are products

that are very limited in the foreign market. In addition, there is a lack of innovation in ethnic products, as they are available in very basic or unattractive versions and copies of the original ethnic products can be found on the market.

As the second part of the questionnaire, we have some demographic questions.

Figure 22.

Twelfth Question: Age

12. What is your age?

[Más detalles](#)

● Under 18	0
● 18-24	34
● 25-34	31
● 35-44	35
● 45+	10



Source: Forms.office (2024)

The total of the responses, the majority of people are between 35 to 44 years old, this type of people are categorized between millennials and Gen X as followed by people between 18 to 24 years old are Gen Z.

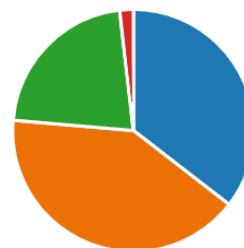
Figure 23.

Thirteenth Question: Income

13. What is your income monthly?

[Más detalles](#)

● Less than 1000 euros	39
● 1000-3000 euros	45
● 3001-5000 euros	24
● More than 5000 euros	2



Source: Forms.office (2024)

The range of income of our respondents are between 1.000 to 3.000 euros monthly, followed by people who gained less than 1.000 euros per month.

The rationale that ethnic products should be cheaper, and at the same time the sentimental value they generate, especially when far away from home, can be seen, as they become valuable products not because of the price but because of the sentimental value and the "not being able" to buy them frequently as it is clear that there are other priorities and products with lower cost.

Figure 24.

Fourteenth Question: gender

14. What is your gender?

[Más detalles](#)

● Woman	54
● Man	50
● Non-binary	6
● Prefer not to say	0



Source: Forms.office (2024)

The majority of respondents were women, the impact of women buying ethnic products in comparison to men can vary based on personal preferences and market dynamics for both the cultural significance can be similar in some cases.

In many cultures, women are the primary decision-makers for household purchases, including food, clothing and decor home, so from this influence can lead to a higher propensity to buy ethnic products that reflects traditions or cultural values. Another impact is the health and wellness, women might be more inclined to purchase ethnic products that use natural ingredients and traditional recipes.

In case of market dynamics, marketers often target women with specific campaigns for products, even ethnic products, emphasizing authenticity, quality and cultural significance. Also, is the gender who is more influenced by trends and recommendations from social media,

influences and peer groups, Ethnic products promoted through these channels can see increased popularity.

Women often buy ethnic products as gifts for family and friends, especially for celebrations, important events or festivals. Women might place more importance on the emotional and sentimental value of ethnic products, which can drive higher spending on items that evoke nostalgia, happiness and other feelings.

Figure 25.

Fifteenth Question: Where people live

fifteen. Where do you currently live? (Country, city)

[More details](#)

 Information

110

Answers

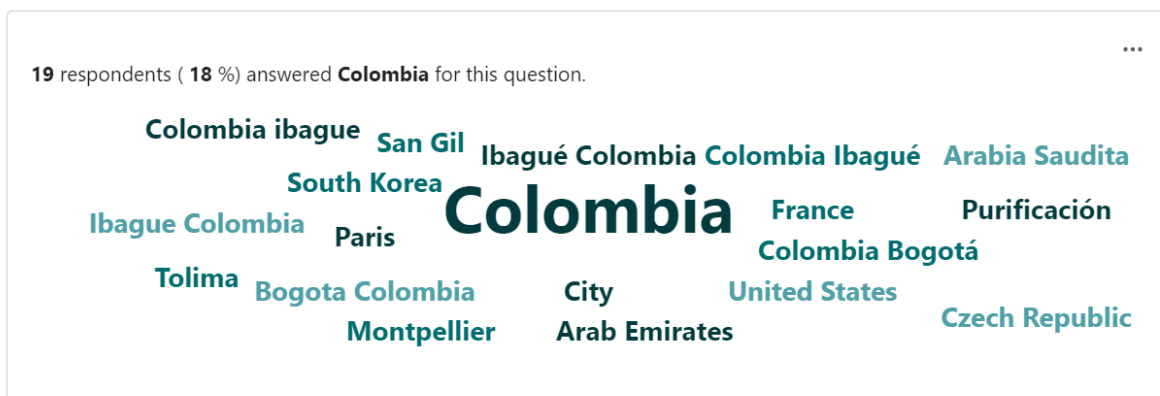
Most recent answers

"India"

"Greece"

"England"

 Update



Source: Forms.office (2024)

Understanding with the previous question, the availability of ethnic products in their area can provide valuable insights into market opportunities, so businesses can better meet consumer needs, fill market gaps, and build stronger relationships with ethnic communities.

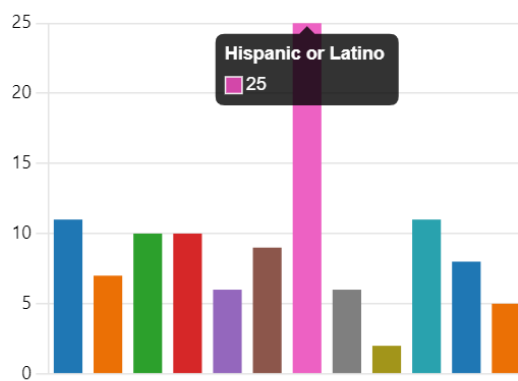
Figure 26.

Sixteenth Question: Ethnicity

16. What is your ethnicity?

[More details](#)

● African	eleven
● African American	7
● East Asian	10
● South Asian	10
● Southeast Asia	6
● Middle Eastern	9
● Hispanic or Latino	25
● Native American or Alaska Native	6
● Pacific Islander	2
● White or Caucasian	eleven
● Mixed Ethnicity	8
● Other	5



Source: Forms.office (2024)

This research intends to know the dynamic of distribution channels for ethnic products that get into a global market, to know the challenges that have to deal with since the product is ready to be sent to the international stores taking into account regulations that must be fulfilled

and thus it has access to the international market, benefiting to producers, merchants and the importance of impacting society culturally.

The disponibility in the distribution channel increases the accessibility of ethnic products in the global market. The presence of e-commerce platforms makes it easier for consumers to access ethnic products independently of their geographical location. Market segmentation based on ethnic diversity improves the effectiveness of the distribution strategies of this type of product in the global market. (Identifying and addressing specific segments of consumers based on their ethnic diversity and culture can optimize the distribution of strategies for ethnic products.

7. Conclusions and Practical Recommendations

7.1 Conclusions

According to the responses from the survey, people value ethnic products for their sentimental value and quality because of many factors which provide a meaningful connection to their heritage and ensure a high standard of craftsmanship and authenticity.

Women have a significant impact on the market for ethnic products products often driving higher sales due to their roles as cultural preservers, household decision-makers Marketers targeting ethnic products can benefit from understanding these gender-specific preferences and behaviours to create more effective and inclusive campaigns.

7.2 Recommendations

- Collaboration with local retailers improves the penetration of the market in ethnic products in the global market. Establishing strategic alliances with local retailers in different countries can increase the visibility and disponibility of ethnic products in these markets.
- Considering the six proposed Porter's barriers, when a ethnic product is considered to enter a market, some barriers and obstacles must be dealt with, which can be particularly pronounced due to the unique challenges associated with authenticity, cultural sensitivity, and niche markets. It should consider emphasising unique or strong differentiation of the product and cultural heritage to stand out. Also, ensure the product meets the high standard expected by ethnic communities. To secure financial backing, it is important to plan significant initial investments to overcome cost disadvantages and establish a foothold in the market and also reach out to the regular environment effectively to ensure compliance and avoid potential pitfalls.
- Ethnic products can effectively penetrate global markets while maintaining their cultural essence and appealing to a broad yet target audience. Understating the target market and preferences, identifying regions and demographics with a high concentration of potential customers who appreciate and seek out ethnic products. Balancing reach and exclusivity thus maintaining product quality and cultural integrity, is important to implement quality control measures across all points of sale.

- Leveraging cultural connections, partnering with community centers, cultural festivals and ethnic influences to build a strong connection with the target market and also emphasizing their cultural heritage and uniqueness through digital marketing.
- If researchers want to consider the qualitative method, it is recommended to examine the following sources. First, is the **academic journals**, which refer to case studies documents related to international business, marketing and supply chain management. **Business school case collections** as teaching materials. The third tool is **Online case study databases** such as Harvard Business Publishing, searchable by topic (marketing, operations and international business) or geographical regions. Also, **Company websites and annual reports**, here some companies publish in their websites their practices and show the annual reports to showcase successful business initiatives, especially distribution strategies, another material is the **industry reports and trade publications**, we can focus the research on a specific product, retail sector or industry like beverage industry or international trade associations focusing on ethnic products and the last source is **professional associations and conferences**, these are organized by relevant associations, organisations or institutions such as International Conference on Global Business and Economic Anthropology (ICGBEA), Global Marketing conference (GMC), Global Supply Chain Management conference (GSCMC), International Business Association conference. (IBA).

8. Limitations and Future Research Directions

During the development of the research, there were some limitations in the quantitative research method which are:

- Language of the survey: as the research targeted international consumers, having a questionnaire entirely in English was a major drawback as not everyone can speak English and this eliminated potential respondents, even the application that was used for creating the survey can translate to the preferred language.
- Non-representative population: Sample sizes, with few numbers of respondents the sample is not representative of the entire population, especially since the survey when shared on social networks where the majority of respondents are Latino.

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10. Appendices

Click on the following link to see the responses from the Questionnaire [Ethnic products.pdf](#)