

GLOCAL

Confronting the Global-Local Dilemma

Opportunities and Challenges Facing Multinationals in Canada Today

There is a perception that exists today that many people find it hard to like businesses once they grow beyond a certain size, despite how much they may contribute to our country's economy. **But is this true?**

With multinationals facing growing demands and expectations when it comes to operating in local communities, Nestlé Canada commissioned a first of its kind study to gauge Canadians' perceptions towards multinationals, and provide insights on what matters most to them when engaging with a large corporation.

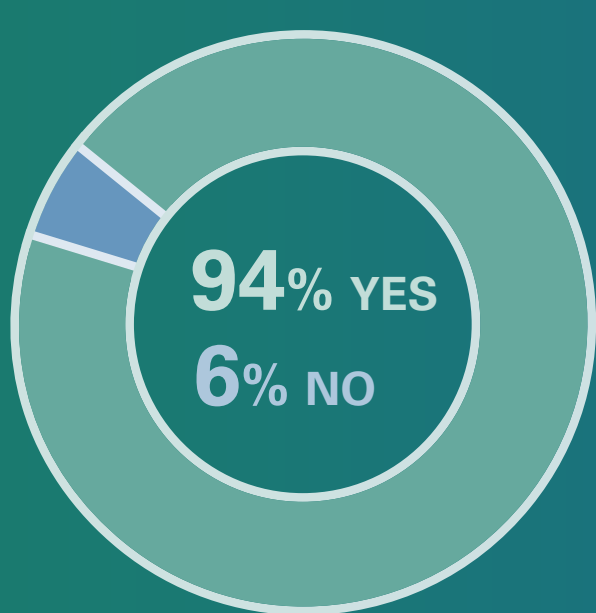


The study examined Canadians' opinions of both local and global organizations, their expectations when allowing a brand into their home, and the need for companies to prove they are investing to align with local interests.



The study also looked at how those perceptions affect purchasing intentions in order to provide companies with insights on how to more effectively operate as a "glocal" company.

Can Multinationals Champion Local Interests?



67%
Think that multinationals provide better, higher quality products at more competitive prices than local, smaller businesses.

70%
Believe that multinationals champion research and innovation.

51%
Agree that multinationals have initiatives designed to benefit the environment of their region.

64%

PROFIT DRIVEN

41%

BUREAUCRATIC

50%

IMPERSONAL

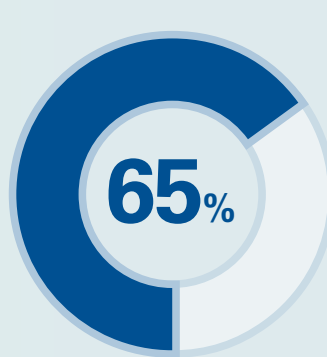
A Reputational Conundrum

The research, however, also revealed that multinationals face significant reputational issues in some key areas, signaling that there is still more work to be done to strengthen their reputation in Canada.

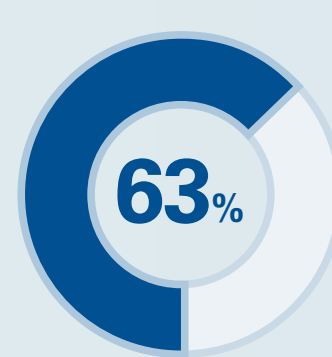
The Local Advantage?

Local companies are seen in an extremely positive light by the vast majority of Canadians—two-thirds of Canadians would prefer to buy from a small local company as they are seen as better for the local economy.

Small, Local Companies Are:



Friendly



People-Oriented



Entrepreneurial

Purchasing Decisions

When asked what factors are most influential in their purchasing decisions, Canadians put a premium on product quality and price point over anything else.

“The importance placed on high-quality, reasonably priced products ensures that multinationals have a role to play in the Canadian landscape.”

Shelley Martin
President and CEO, Nestlé Canada

89%

High quality, reasonably priced products

70%

Always keeps best interest of users in mind

61%

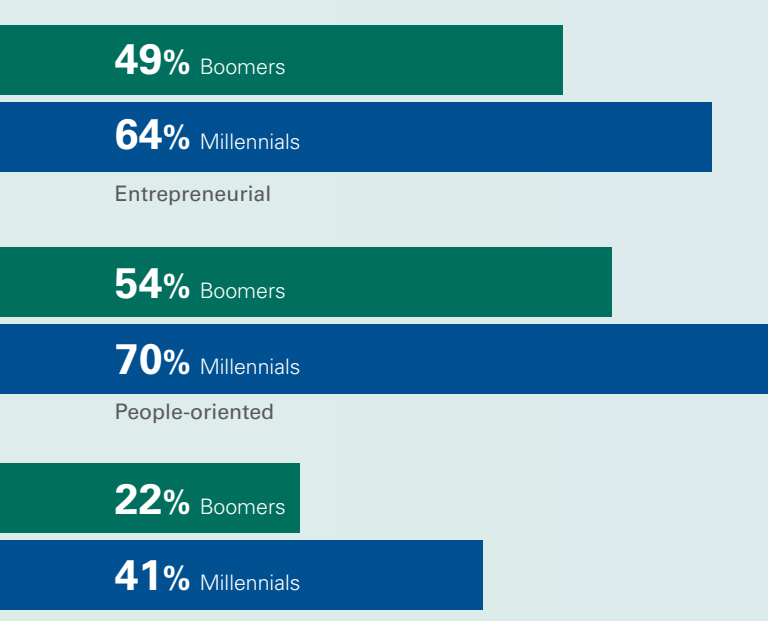
Offers employment to Canadians

56%

Products are natural

A Dichotomy of Generations and Regions

The data also revealed that Canada doesn't think as one—there is a variety of opinions within our increasingly diverse country. Canada's population is growing, aging and becoming more culturally varied, contributing enormously to how multinationals are perceived.



Millennials vs. Baby Boomers

Provide community support

47%
Millennials

36%
Boomers

Contribute to employment

68%
Millennials

58%
Boomers

Develop products aimed at them/their family

58%
Millennials

44%
Boomers

Provide economic support

41%
Millennials

30%
Boomers

Regional Contrasts



Prairies
Connect to my community



Quebec
Offer employment to people in my community



British Columbia
Support local causes important to me



Atlantic
Know nothing about my region



Alberta
Know nothing about my culture

Going Glocal—What it Takes to be Truly Glocal

Being a "glocal" company means having the size, scale and global expertise to offer Canadians the best products and services from around the world delivering them with local people, in local factories, with local ingredients, and in a responsible, sustainable manner.

While many multinationals have a positive impact on local economies, that impact isn't necessarily being consistently seen or heard by Canadians.



Multinationals must do a better job of communicating the ways in which they are contributing to the economic and social fabric of Canada.



Multinationals operating in Canada need to shift the way they think about engaging with consumers, connecting with their communities by using local resources, employing local people and providing economic support.



Generational and regional diversity in particular can and should influence how as multinationals engage with their communities.

Multinationals must do more to align with local interests, becoming truly "glocal" and grounding their strategic decision making with actions that have positive effects for the communities where they operate.