



Press release

For further information please contact the PR agency.

Glocalization: Home and Proximity Become a Cosmopolitan Statement

At the latest since the Corona pandemic and the Ukraine war, consumers have been feeling the limits of globalization due to supply shortages and historically high inflation. A representative study by XPAY shows that a large proportion of consumers increasingly prefer brands that produce regionally or can establish a local connection. Global brands are less in favor. Glocalization as a middle path between globalization and localization is experiencing a renaissance.

(Munich, August 16, 2022) Alongside the purpose economy and creator economy, glocalization is becoming a trend that companies will no longer be able to ignore in the near future. This is the conclusion of a recent XPAY survey of more than 2,000 consumers in Germany. More than half of consumers (51%) prefer brands that produce regionally. About a third prefer products or services from companies that operate a business locally (36%) - or that were founded by people who come from the region (30%).

"Consumers' longing for home and locality, for manageability, assignment and specialness continues to grow. Consumers do not deny internationality - but they want security through local references or anchoring," explains Denis Raskopoljac, CEO and founder of marketing FinTech XPAY. "The interconnectedness of people through social media and the associated cross-national media consumption are creating the phenomenon of the global village. Consumers may have their heads in the world and show openness to global influences - but they still want to be rooted in their region that promises security."

Brands that manage this balancing act can benefit from this growing need. As the survey shows, more than half of consumers trust brands that are smaller and more personal than global brands of international corporations (56%). Only one in five (20%) still prefer brands that are internationally known. And only 14 percent prefer products from brands that enjoy worldwide popularity.

Globalization becomes glocalization

According to Raskopoljac, in the increasingly interchangeable world of products, local proximity is a benefit that can be experienced directly and makes corporate services distinguishable and relevant. In a recent analysis, Matthias Horx's Zukunftsinstitut also concludes that the zenith of globalization has been passed and target parameters such as resilience, quality, safety and sustainability are moving into focus after years of efficiency and profit maximization. A central concept of future supply security is glocalization.



Local anchoring against the risk of confusion

Due to war and pandemics, consumers are currently experiencing the limits of complex hyperglobalization primarily through supply shortages and rising prices. However, according to the study, glocalization should not be reduced to just breaking up supply chains. "Rather, brands must try to establish local or regional references in a variety of ways. This can work just as well through content as through locally typical adaptations and special features in quality and taste. But regional production or marketing processes can also be a building block of glocalization," says Raskopoljac. XPAY aims to help brands and influencers with glocalization strategies in several ways.

Loyalty program with regional benefits

Loyalty programs with local merchants, for example, can serve the need for local roots. XPAY makes this possible for small and medium-sized businesses with individually branded debit cards with loyalty features. Purchasing can thus become a purpose-driven decision for the brand and for the retailer or the selected online merchant. Loyalty points collected when using the branded debit card can also be converted into local benefits, for example. "Brands can also initiate local benefits, networks or ecosystems that make the brand a local experience," explains the brand and sales expert, referring to the survey.

Consumers want proximity

In addition to glocalization, according to the study, the topics of purpose economy and influencer economy are also moving into the consumer's field of vision. Consumers long for redeemable value propositions and authentic brand messages such as those from influencers. Half of all respondents in Germany (51 percent) are now influenced by purpose in their purchasing decisions. Just as many (50 percent) prefer products from brands that are purpose-driven. The influencer and creator economy has also become a business factor, according to the study. A quarter of respondents follow at least a handful of influencers. Among younger people (18 to 35-year-olds), there are even three times as many. According to XPAY, the three trends have in common consumers' desire for proximity, sustainability and traceability.

About this survey

The Age of Relevance is a nationwide, representative study on the topics of customer-brand relationship (CBR) and brand loyalty. The quantitative survey was published by XPAY Group GmbH, a provider of innovative payment solutions that offers branded Mastercard® card programs with integrated loyalty components for companies and influencers. The survey was conducted by the Hamburg-based market research institute Consumerfieldwork between January 15 and 31, 2022. A total of 2,118 citizens aged 18 to 55 participated in the survey.



About XPAY

XPAY is one of the fastest-growing providers of innovative embedded finance solutions, developing branded Mastercard® card programs with integrated loyalty components for its branded customers. In combination with exclusive and individualized benefits, XPAY thus makes brand experiences available to consumers in completely new areas of their lives. The FinTech startup with headquarters in Munich and locations in Amsterdam, Bucharest and Vienna was founded in May 2016 and currently employs over 85 people. For more information: <https://www.xpay.de/>

Contact Press Agency

SCRIVO Public Relations

Franziska Kegel / Tristan Thaller

Tel: + 49 89 45 23 508 - 19 / 15

E-mail: franziska.kegel@scrivo-pr.de / tristan.thallert@scrivo-pr.de

Contact Company

presse@xpay.de

Globalization becomes glocalization



About a third prefer companies that operate a business locally



30 % prefer companies that were founded by locals

„Consumers may have their heads in the world and show openness to global influences - but they still want to be rooted in their region that promises security.“

Denis Raskopoljac, XPAY CEO

Local anchoring

51%

prefer brands that produce regionally. Glocalization is becoming a trend that companies won't be able to avoid in the near future



Consumers want proximity

56%

more than half of consumers trust brands that are smaller and more personal than global brands of international corporations



Source: XPAY brand survey "The Age of Relevance" among 2118 people in January 2022