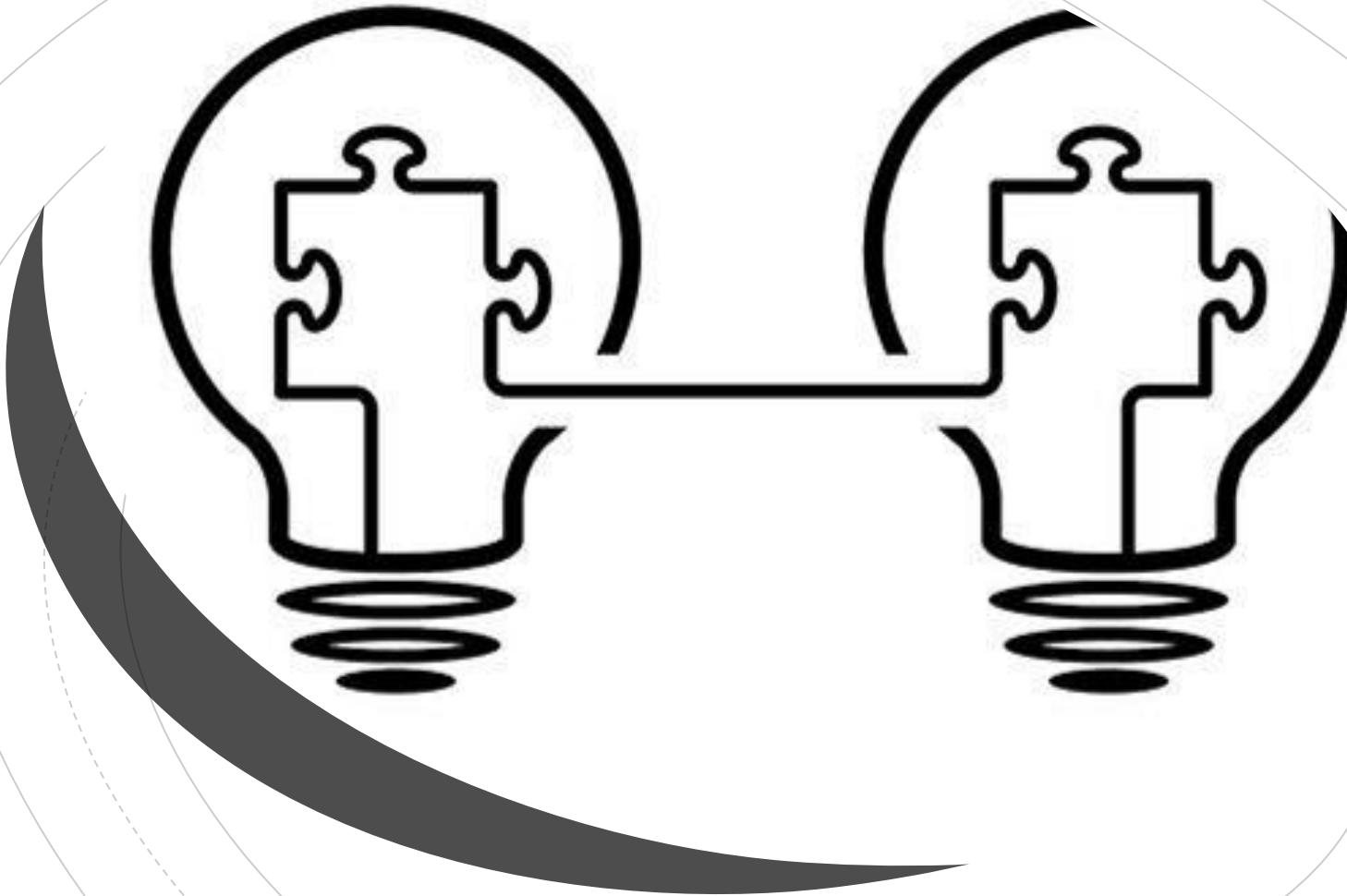


Not Invented Here Syndrome



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What is NIH?

- NIH is the internal resistance against external knowledge.
- NIH has been defined as an attitude-based bias against external knowledge.
- It is an individual's negative attitude towards knowledge that originates from a different field of expertise.
- It is the reluctance in the integration of a method, product or service, that was not developed internally.

Source: <https://www.pinterest.de/pin/396105729702538987/>, accessed on 01/02/2021, 19:35.

Source: Alegre, J, R Lapiedra and R Chiva [2006] A measurement scale for product innovation performance. *European Journal of Innovation Management*, accessed on 01/02/2021, 20:15.

Source: Antons, D., Piller, F.T., 2015. Opening the black box of “Not Invented Here”: attitudes, decision biases, and behavioral consequences. *Acad. Manag. Perspect.* 29 (2), 193, accessed on 01/02/2021, 20:35.

Not Invented Here Syndrome

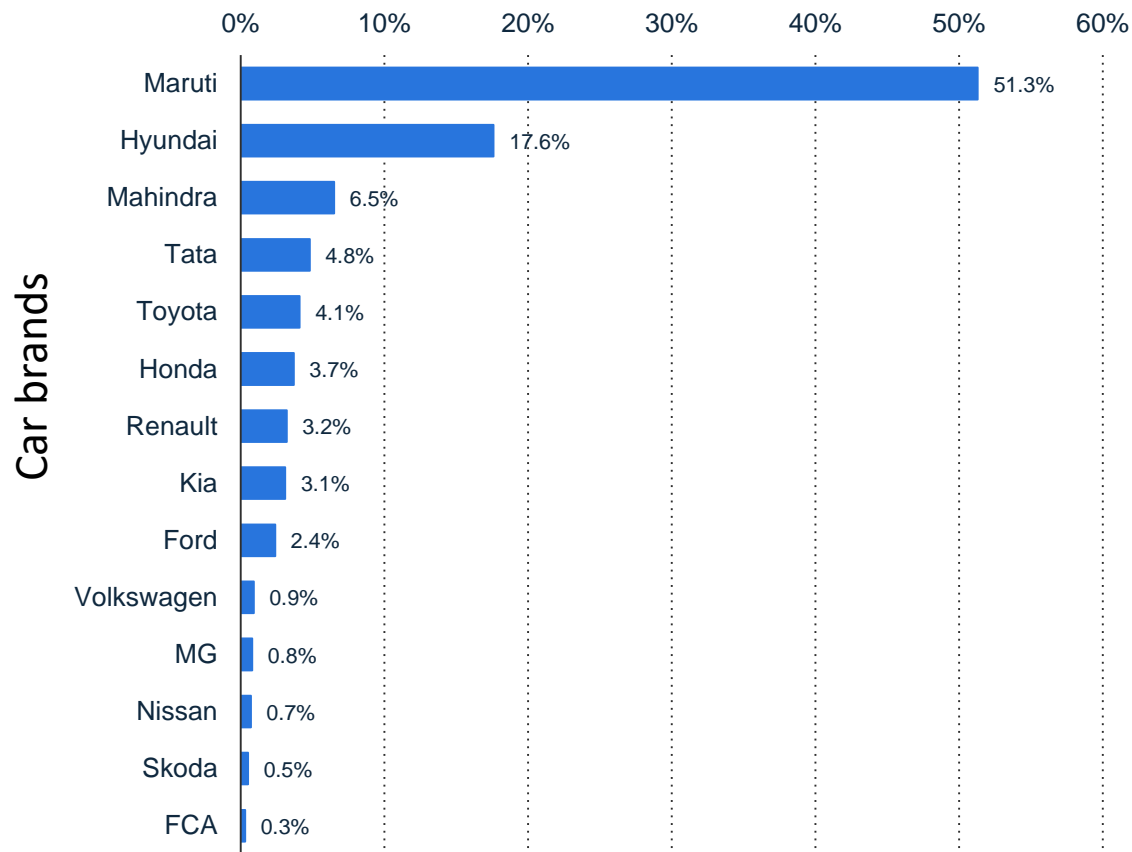
- NIH is caused by individual attitudes and their functions.
- The attitudes influence how the individuals process the information.
- We conduct a survey to observe the attitude of the individuals related to buying products.
- The aim is to make strategy recommendations to companies based on the NIH status in the selected sector of the countries.
- For this, we consider two products cars and smartphones, across the countries Germany and India.

NIHS in Cars sector

- The result is based on the survey (sample size 50) conducted in Germany and India. Survey link: <https://forms.gle/UV1wqTnLT1iLPbw2A>
- In India, people are inclined towards buying cars from local companies, due to better value for money and services, and lack of alternatives.
- Trust on the quality and services of the German products affects the decision making in Germany.



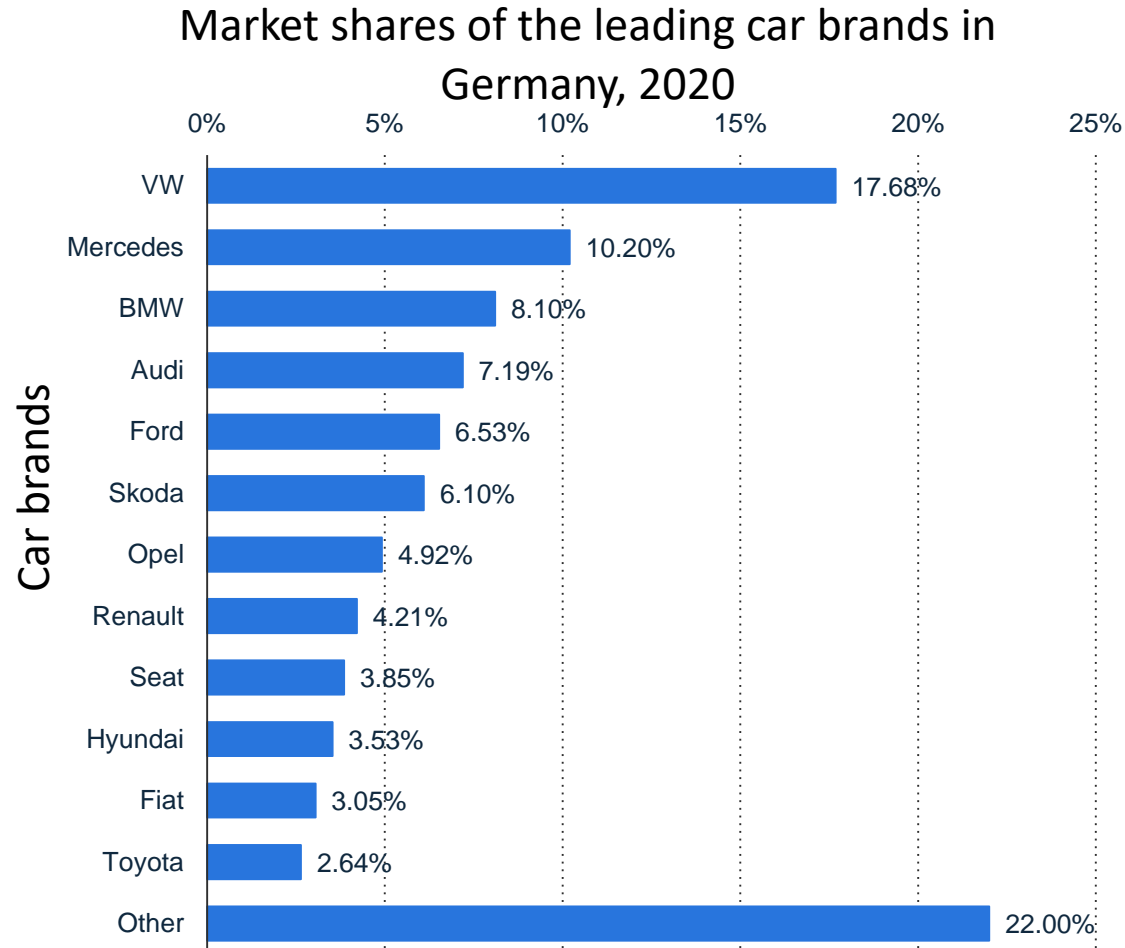
Market shares of the leading car brands in India, 2020



Market share of cars in India, 2020

- The research outcome shows the market share in India.
- NIH syndrome in India is high, and the attitude is negative towards foreign products.
- Maruti dominates more than 50% of the market share.

Market share of cars in Germany, 2020



- The research outcome shows the market share of cars in Germany.
- NIH syndrome in Germany is high, and the attitude is negative towards foreign products.
- The top 4 brands dominating the market share are German.

Strategy recommendations for Car sector in India



Bring in modern technologies and set up manufacturing plants in India to boost the domestic demand.



Foreign companies should co-operate with local companies.



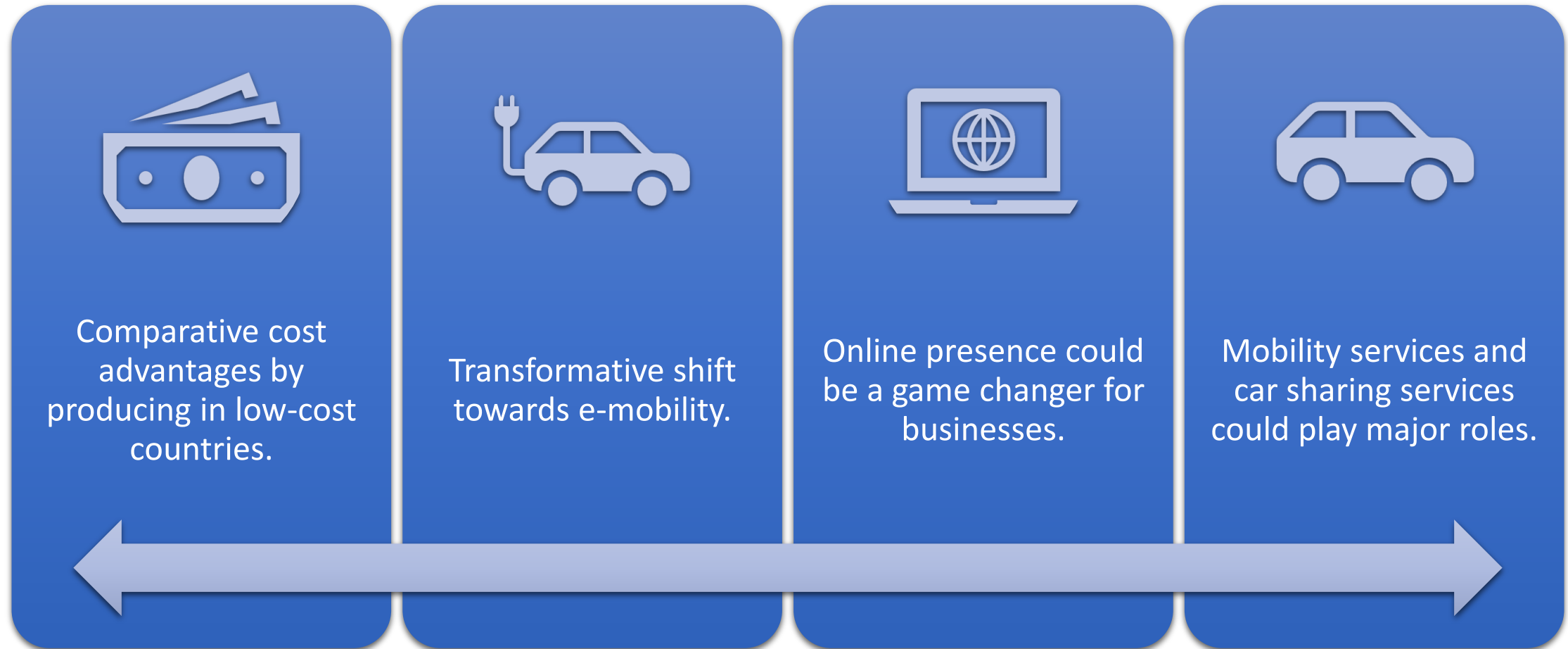
Uniquely cater to the demands of low- and middle-income groups of population.



Meet the future needs of the customers: electric vehicles, digitization, and automation.



Strategy recommendations for Car sector in Germany



Source: <http://www.german-times.com/the-automotive-industry-is-facing-major-challenges-around-the-world-german-carmakers-have-more-to-lose-than-most-and-are-thus-investing-a-great-deal-in-securing-its-future/> , 2018, accessed on 02/02/2021, at 22:10.

Sources: <https://www.mckinsey.com/industries/automotive-and-assembly/our-insights/reimagining-the-auto-industrys-future-its-now-or-never>, 2020, 02/02/2021, at 22:25.

Source: Heike Proff, Strategies for German automobile manufacturers facing new competitors from low-cost countries, accessed on 02/02/2021, at 23:10.

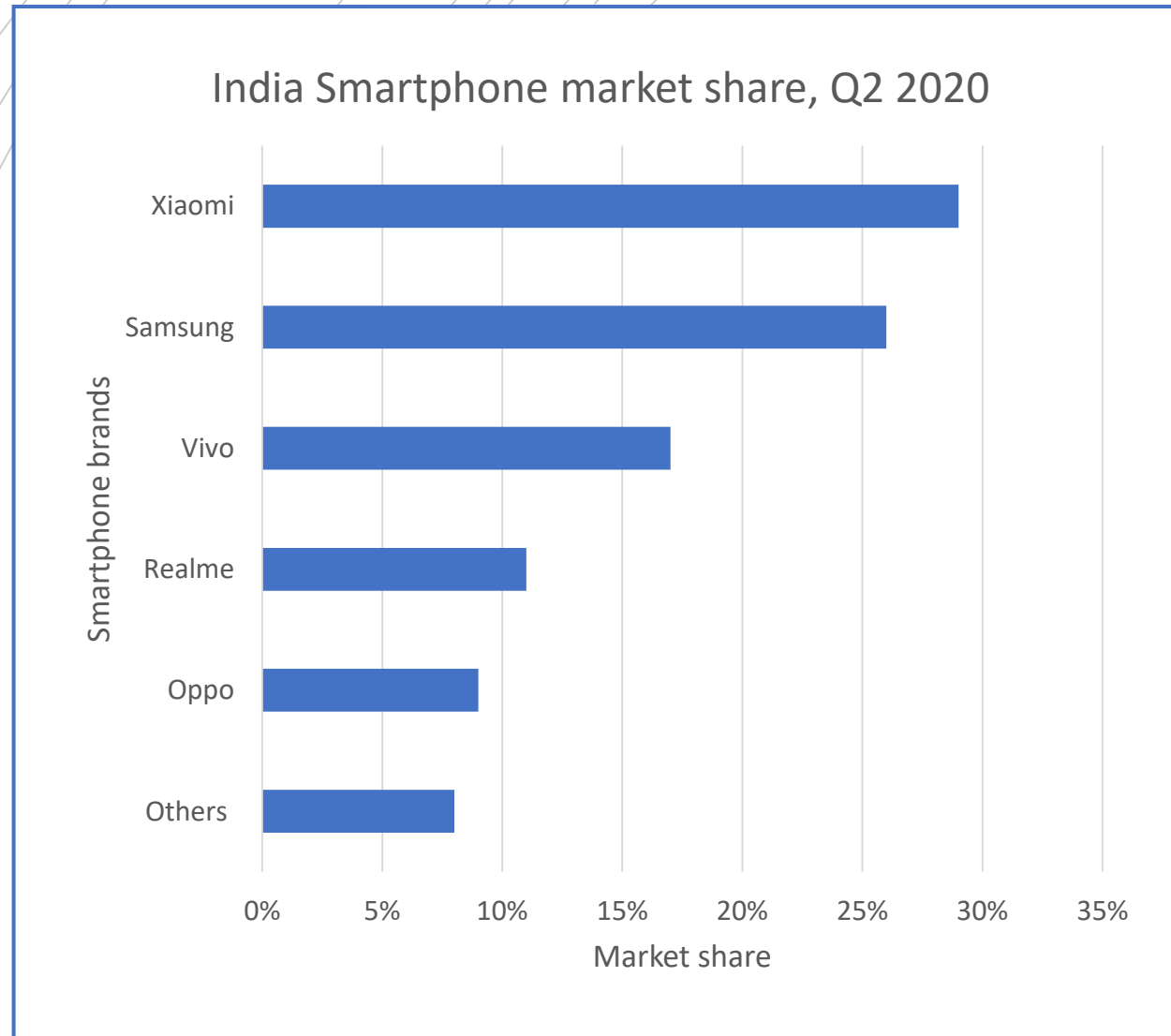
NIHS in Smartphone sector

- The result is based on the survey (sample size 50) conducted in the Germany and India. Survey link: <https://forms.gle/3XRYc229BHeVYcKd7>
- In India, people buy foreign products largely due to the lack of alternatives with respect to the cost and quality of the products.
- In Germany, people tend to buy foreign products based on the features cost, innovation and quality.

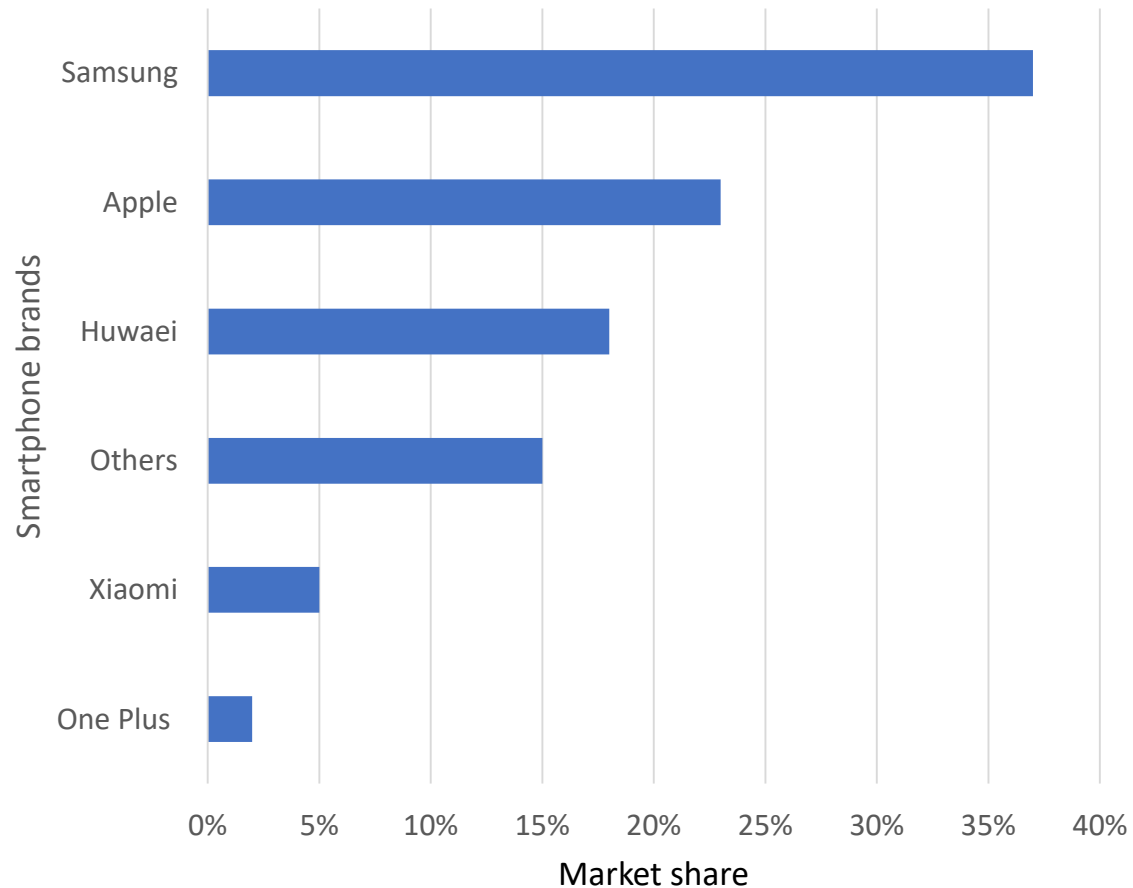


India smartphone market share, 2020

- The research outcome shows the market share of smartphones in India.
- NIH syndrome in India is very low, and the attitude is very positive towards foreign products.
- Currently the smartphone markets are dominated by Chinese companies.



Germany Smartphone market share, Q2 2020



Germany smartphone market share, 2020

- The research outcome shows the market share of smartphones in Germany.
- The attitude towards foreign products is very positive.
- All the major brands dominating the market share are foreign companies.

Strategy recommendations for smartphone in India



Strategy recommendations for smartphone in Germany





Summary

- NIH is attitude-based bias.
- NIH influences the company strategies in India and Germany in the chosen sectors.
- Specific survey and research to measure the impact of NIHS.
- Relevant strategy recommendations for local and foreign companies.

General Information

Hello Everyone,
We are doing a survey on buying habits on specific products. It will be very helpful if you take out time from your busy schedule and participate in the research.

* Required

Country of Residence *

- ☐ Germany
☐ India

Age Group *

- ☐ 18 - 26
☐ 27 - 36
☐ 37 - 45
☐ 45 - 55
☐ 55 & Above

Profession *

- ☐ Student
☐ Employee
☐ Self employed
☐ Retired
☐ Other

While purchasing a smartphone do you prefer the product made in your home country or foreign country? *

- ☐ Home
☐ Foreign
☐ Doesn't matter

While purchasing a car do you prefer the product made in your home country or foreign country? *

- ☐ Home
☐ Foreign
☐ Doesn't matter

While buying a product what are the features you considered? Chose all that apply. *

- ☐ Cost
☐ Quality
☐ Services
☐ Innovation
☐ Brand

What are the reasons to choose the product made in home country? Chose all that apply. *

- ☐ Easy Accessibility (Sales & Services)
☐ Better value for money
☐ Supporting home grown products
☐ Lack of alternatives
☐ More innovative product features

What are the reasons to choose the product made in a foreign country? Chose all that apply. *

- ☐ More innovative product features
☐ Better value for money
☐ Lack of alternatives
☐ Brand name & status
☐ Sales & Support

Do you prefer buying homegrown products when more promising foreign options are available? *

- ☐ Yes
☐ No
☐ Maybe

If chosen yes, what are the reasons behind it?

- ☐ Pride
☐ Trust
☐ Support
☐ Innovation

Do you prefer to buy the local product even if it is costlier than the foreign product? *

- ☐ Yes
☐ No



Thank you!