

Li Yi-you

School of Textiles and Garments  
Southern Yangtze University, China  
P.O. Box 73, Wuxi, Jiangsu  
P.R. China 214063  
E-mail: LiYiYou88@sina.com

# Brand Effect on Consumer Behaviour in China

## Abstract

*In this article the effect of the products' brand on the consumer behaviour in contemporary China is presented, especially in the field of the textile materials.*

**Key words:** consumer, behaviour, brand effect, textile industry, apparel industry, China.

In the years since its isolation from the rest of the world was ended, the People's Republic of China has been the recipient of massive foreign investment, and exports have grown dramatically. Foreign investors are drawn to China by the combination of a booming economy, low-cost labour, and access to a potentially enormous market. China's market is becoming increasingly important in the world.

The importance of China's textile and apparel industry to the development of the economy is growing. During the past two decades, as the most important textile and apparel production site, China has captured the attention of apparel firms and retailers from the developed countries of Europe, North America, and Japan due to their competitive low-labour cost. In the 1990s, manufacturers and marketers in many countries took a keen interest in the consumer market in China. The size of the market (1.2 billion potential customers), plus the increasing spending power of Chinese consumers, has attracted the attention of industry executives elsewhere, who are eager to sell their products.

The enormous consumer market in China offers potential opportunities; however, certain important challenges also exist. China's apparel retail market has turned from being product-oriented to becoming consumer-oriented, and so the idea of consumer service has grown more important. However, the difficult step in tapping into the Chinese market is to gain a good understanding of consumers locally. The ability profitably to enter China's apparel market hinges greatly on a better awareness of the Chinese consumer's needs and wants, of their perceptions of foreign brands, and of their perceived price and quality of those

foreign brands. Therefore, it is essential to do research on consumer behaviour, especially the brand effect on consumer behaviour in China.

## Review of Consumer Behaviour in China

In China, the consumer's expectations of product quality in general have been steadily rising, owing to the increase in income and sociological forces, which have prompted high expectations of a better lifestyle. Chinese consumers today are looking for aesthetic and social value instead of just focusing on the basic needs of warmth and the protective function of products. Department stores are now crowded with people, but few of the shoppers are serious buyers. Chinese consumers are eager to see what is available, especially from among foreign products. Chinese consumers have a lot of time to browse, and therefore are disinclined to convenience or impulse buying. In Chinese cities, window-shopping and browsing are favourite weekend pastimes.

Another aspect of Chinese culture that influences buyers' behaviour is the reluctance to pioneer. The typical Chinese consumer does not want to be among the first to try a new product, but the discomfort of being 'behind the times' may make them think that if the neighbours have tried it, they had better follow suit soon. The strong collective characteristics may imply that informal channels of communication are important in Chinese society. Chinese consumers tend to rely more on word-of-mouth communication because of the high contact rate among group members; thus, communication of a given product idea is quick to circulate within these informal channels.

The influence of this cultural factor makes specialty stores the most potentially successful apparel retail channel.

In product introduction, specialty stores can help to generate the 'keep-up-with-the-neighbours' effect.

Chinese consumers like to shop in a free environment without interference. If a salesman in a retail store is too eager to help and approaches a consumer who has not decided what to buy, the consumer will feel uneasy and go away. The proper way is to keep a certain distance from the consumer, but at the same time letting the consumer know that he is always ready to help.

The brand effect on the Chinese consumers' purchase willingness is considerable. The reputation and track records of the brand will usually act as the criterion by which the quality of the product will be judged.

In the Chinese market, there is evidence that people do not express their dissatisfaction as directly as those accustomed to Western cultures. However, this does not mean that Chinese consumers do not complain at all; they may just not complain directly at the point of sale. This can be disastrous if consumers are not satisfied with they have bought.

As consumers in China are notably different from consumers in the Western world, an insight into their buying behaviour and habit is essential in order to gain success in the Chinese apparel retail market.

## Brand Effect

During the immature stage of consumer behaviour, consumers' limited experience with modern marketing makes them depend on reputable brands and track records. Sometimes consumers rely on price as a mark of quality. Therefore the brand effect is very important in China; brands accounted for one-third to one-half of all consumers' expressions of intent to purchase. As one indicator of

brand importance, many Chinese consumers in the past usually left the makers' tags on the sleeves of their suits and the brand stickers on their sunglasses, even though they understood these should be taken off as suggested by Western habit.

However, according to the results of recent research into consumer behaviour in China, Chinese consumers now regard the brand as a less important factor than factors such as style, quality, cutting & fitting, colour, ease of maintenance, the service of the salespeople, price, and shop image. This implies that consumers in China are becoming more advanced in their buying requirements, and can no longer be deceived by superficial factors such as brand and advertisement.

The maturing of consumer behaviour does not mean the failing of the brand effect. In fact, consumers' emphasis on style, quality, workmanship and so on brings an opportunity to expand the brand effect, because a successful brand should be the synonym of a popular product with good style, high quality, good workmanship and so on.

### Brand Effect on the Potential of Specialty Stores

Compared to shopping malls, boutiques, department stores, and street stores, specialty stores are the most popular apparel retail form appreciated and accepted by Chinese people. In contrast to other retail forms, which are specialised by product, most specialty stores are supplied by specific brands; specialty stores sell only one label or brand. Strong brand information makes specialty stores effective channels in attracting early sympathisers. It does not matter if a product is not positioned in a fancy display; the Chinese consumer will look for it if they have heard about it. They want to see complete information, and even specification details, next to the product. They read this information carefully to improve their understanding and to gain a feeling of security about the product, even for a garment fashion brand, its origin, how it arose as an international brand, and its world-wide market status.

The Chinese consumer's interest in specialty stores indicates that branded apparel have great potential in China. These

facts correlate with some expert opinion to the effect that specialty stores have the greatest potential for development. Moreover, most specialty stores emphasise the selling of mid-price clothing, and the potential of imported mid-price clothing has proved to be great.

### Effect of Country of Origin

Most Chinese consumers are less conscious of a garment's country of origin. Chinese consumers speak more highly of China-made apparel than of that made in Japan, Europe or America. As reported by an expert, the styles and fittings of Western clothing are less suitable for Chinese consumers as both the body build and the taste of Asian consumers is quite different from those of Westerners. This also explains why retailers in Hong Kong, Taiwan and Japan enjoy comparatively successful retail business in China.

Many Westerners have a misleading concept that whatever is foreign-made will be accepted and welcomed by the Chinese consumers. Therefore, Western fashion retailers who want to do business in China should pay attention to their product style and cutting, and it is preferable to have specific designs and size ranges especially devised for the Chinese market.

### Summary

The enormous consumer market in China has long been attractive to foreign investors. A thorough investigation into this consumer market and its consumer behaviour is the key to opening up its profitable market. Most research and surveys on Chinese consumers' behaviour usually emphasise the Chinese communities world-wide, not just people living in China in particular. Western ideology has been rooted in knowledge of those Chinese communities living in Hong Kong, Taiwan and Singapore. Therefore, the understanding of these Chinese communities does not mean having a true picture of consumer behaviour in China. Fashion that sold well in Hong Kong may not necessarily be successfully applied to the Chinese consumers, and a special product strategy has to be drawn up for the Chinese market.

Received 03.01.2003



## Institute of Chemical Fibres

*FIBRES & TEXTILES in Eastern Europe reaches all corners of the world! It pays to advertise your products and services in our magazine! We'll gladly assist you in placing your ads.*

### FIBRES & TEXTILES in Eastern Europe

ul. Skłodowskiej-Curie 19/27  
90-570 Łódź, Poland

Tel.: (48-42) 638-03-00  
637-65-10

Fax: (48-42) 637-65-01

e-mail:  
iwch@iwch.lodz.pl  
infor@iwch.lodz.pl

Internet:  
<http://www.fibtex.lodz.pl>