

# Consumer behaviour trends in china, hong kong and australia



1 Executive Summary Consumer behaviors vary between different countries and market structure. This report seeks to uncover the underlying factors behind some of the biggest consumer markets, Australia, Hong Kong and China. Demographic characteristics largely affect by social and value trends such as consumption culture, gender roles and demand for certain goods and services.

The existing relationship between these factors would be analyzed and discussed further. From an analysis of the distinct differences, marketers can determine the underlying opportunities as well as potential niche markets for which they can tailor their marketing mix more efficiently and effectively (Blackwell, Miniard & Engel, 2006, Pg. 236). Are there any differences between demographic, social and value trends in China, Hong Kong and Australia? 2 Introduction There are many differences between the demographic, social and value trends in the People's Republic of China (hereafter China), Hong Kong Special Administered Region (hereafter Hong Kong) and Australia. This report attempts to outline the key differences, how it affects consumer behavior and the implications on global marketers. The basis of comparison is Australia as a developed nation (Pecotich et al 2006, p.

1), where as China is still developing very rapidly with the transition from a planned to a socialist market economy (Blackwell, Miniard & Engel, 2006, Pg. 267). Unified to China under the symbolic motto 'one country, two systems', Hong Kong's economy requires separate attention, as thoroughly capitalist, advanced, developed-country consumer market (Pecotich et al 2006, p. 51).

3 Demographics Defined as the size, structure and distribution of a

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population, in each economy forms a basis for marketers to analyze the current or projected social and value trends.

These trends influence consumer behavior and the consumer decision buying process as a whole for instance need recognition, modes used in searching for information, process of pre-evaluation, allowing marketing strategists to forecast trends in consumer behavior. Consequently, in global marketing it is crucial for marketers to monitor the changes and trends in the environment of each economy separately to tailor its marketing mix to better suit its customers (Blackwell, Miniard & Engel, 2006, Pg. 236). 3.

1 Population Characteristics Population characteristics are affected by factors such as Government legislation on social policies, economic development, rate of urbanization, history and cultural basics have a direct impact on demographics, thus affecting social and value trends (Blackwell, Miniard & Engel, 2006, Pg. 236-281). Australia and Hong Kong, like many industrialized societies (Blackwell, Miniard & Engel, 2006, Pg. 245-250), are facing an aging population whereas China, while still developing, has a much younger population than its counterparts (Pecotich et al 2006, p. ). Marketers should exploit the possibilities of healthcare and travel related products in Australia and Hong Kong, as well as children-related industries in China (Blackwell, Miniard & Engel, 2006, Pg.

264-287). 3. 2 Economic factors Economic factors influence a large part of social and value trends affecting how consumers would behave (Blackwell, Miniard & Engel, 2006, Pg. 36).

For instance, consumers in Hong Kong have become more value-oriented as a result of becoming more educated and ramifications of economic downturn. As a more matured economy, consumers in Hong Kong have become more sophisticated and discriminating. Although the capitalist nature still exists, there has been a growing trend in the preference to switch to lower priced products of the same quality (Pecotich et al. 2006, p. 174). In contrast to the flourishing economy in China, this has fostered a growing middle class consumption patterns resulting in a growing trend of a distinctive consumption culture (Frithe 1996, p.

). This trend can be characterized by the way that consumption in Chinese culture has become a form of self-expression. The preference of brands, particularly foreign brands, are increasingly used to distinguish a consumer from the social strata he or she does not belong to, thus brands communicate the membership of ones own group (Pecotich et al. 2006, p. 129). 4 Social and Value Trends 4.

1 Consumption culture and advertising This leads to culture, which plays an important role in the traditions and customs embedded in the norms of each society. Guanxi (Chen 2004, p. 4-47) and networking is an important aspect of Chinese culture whereas individualism is prevalent in Australian society (Hofstede, 2003). The common practice of exchanging gifts in Chinese culture as opposed to purchasing for one's own consumption in Australian societies affects the consumer buying process altogether.

Casual humor and informality reflected Australian culture is apparent in advertisements, whereas a humanistic approach would be more effective in

China (Frithe 1996, pp. 3-10). And in Hong Kong, more informative focusing on value (Pecotich et al. 006, p. 156). Therefore an analysis of the different consumption culture and patterns marketers can derive effective ways to promote the right products and create value for its products, perhaps through research and development or repositioning themselves in the marketplace (Blackwell, Miniard & Engel, 2006, Pg.

236-281). 4. 2 Culture, gender and demand Furthermore, gender roles are heavily influenced by culture. The increase of the participation rate of women in the workforce has affected household structures and sizes. This has fostered some of the emerging consumer groups such as DINK's (double income, no kids) and PMEB's (professional, managers, executives and businessmen), as well as dual income households (Pecotich et al.

2006, p. 34). This trend has fostered a need and demand for convenient goods and services. This has effected changes in consumer behavior as households may eat out more often, buy take out, frozen and prepared meals, demand for services such as child care, dry cleaning, house cleaning, and gardening, as well as shopping and banking via telephone and internet. This is a predominant trend in Australia (Pecotich et al.

2006, p. 26). In contrast the culture and structure of China and Hong Kong society are largely based on Confucian ethic, therefore assume a more traditional role of women in a society (Zhao 1997, p. 47-49).

Due to cultural restraints this trend has been occurring at a slower pace in China (Zhao 1997, p. 48) and Hong Kong (Pecotich et al. 2006, p. 158-159).

Therefore marketers need to consider how culture has influenced the social  
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and value trends in order to derive the need for goods and services demanded by the consumers.

5 Conclusion After an analysis of the key differences in demographic, social and value trends in Australia, China and Hong Kong, it is fair to conclude that the key factors are differences in consumption culture and patterns, and different demands pertaining to their needs. In Australia, an industrialized society has fostered the trend in an ageing population and household composition has fostered a high demand convenience and services (Pecotich et al. 2006, p. 26). The higher levels of education and impact of economic downturn in Hong Kong has provoked consumers to become more value-oriented in their purchase decisions (Pecotich et al.

2006, p. 156). And in China although undergoing rapid modernization, cultural basics have largely influences their consumption attitude and patterns (Zhao 1997, p. 43-59). These differences indicate to marketers that a standardized marketing on a global basis is not an effective approach (Blackwell, Miniard & Engel, 2006, Pg.

236-281). Demographic, social and value trends in each country or economy due to various influences differ and require separate attention, firstly, in order to cease the opportunities that present themselves and secondly, market goods or services more effectively and efficiently.