

Internet Becomes The Most Engaging Media In China...

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vast regional difference seen with some tier 5 cities overtaking those of tier 1 in internet consumption

Synovate Media Atlas China reveals the industry's most comprehensive insights on digital habits and everyday lives of mainland Chinese consumers

Leading global market research firm Synovate today released the latest findings from Media Atlas China, the most extensive syndicated cross-media study conducted in China to date surveying 66,000 consumers across 88 tier 1 to tier 5 cities and rural areas across mainland China.

The latest results show over half of mainland China's urban population (56.4%) aged 15 to 64 now has access to the internet, becoming one of the most powerful online consumer groups in the world.

Internet access in tier 5 cities now stands at 53%, not far behind the 61% figure in tier 1 cities. A quarter of the population has gone online using their mobile in the past month.

Steve Garton, Global Head of Media and Managing Director, Media - Greater China at Synovate, said: "Media Atlas China is designed to the highest international standards, revealing in-depth insights on the lifestyles, habits, product ownership, digital and media consumption of mainland Chinese consumers. Since the launch of the study in April 2010, it has been quickly adopted by many major marketers and media agencies as one of the most accurate sources for up-to-date information on the China market."

"The latest findings from Media Atlas China show the strength in number and the sophistication of mainland Chinese consumers in their digital habits, a nation of increasingly online and on-the-go people."

Vast regional difference in internet consumption, with some tier 5 cities overtaking those of tier 1
The Synovate Media Engagement Index measures the level of attitudinal engagement or desire to use different media by consumers. It is an index score that statistically combines various elements of a media's emotional equity, such as personal meaning, integration into lifestyle, advocacy, and other related aspects.

The latest index shows internet overtook all other media as the most engaging. It has the highest engagement score of 77, followed by television with an index score of 73, and mobile with the score of 68.

Jessica Liu, Media Research Director of Synovate in China, commented: "We see that the internet is a highly engaging medium in terms of time spent and interactivity. However, psychological engagement, turning a potential customer on to a brand idea, and the surrounding context fitting the ads and brand information are all important. This is what the Synovate Media Engagement Index can answer in combination with behavioural information. When we analyze the findings by city tiers, the engagement index of tier 1 consumers is 82 for internet versus 77 for TV, while tier 5 consumers indicated index scores of 76 for internet and 73 for TV."

The average time spent on the internet is close to 3 hours a day (163 minutes). Respondents in tier 1 cities spend 2.6 hours a day browsing online, with 44% doing so daily. In tier 5 cities, 27% go online daily, spending around 1.4 hours.

Said Liu: "Internet consumption figures for lower tier cities seem to be lower than those seen in tier 1 cities on average, however the true picture is there are vast regional differences by tiers and cities. For example, Puning, a tier 5 city in Guangdong province, is very strong in online mobile (51%) and internet consumption (61%), even higher than that of tier 1 cities (25% and 51% respectively). Mianyang, a tier 4 city in Sichuan province, is also very strong in internet consumption (50%) with the reach above that of Chengdu (48%), the capital city of Sichuan."

Continued Garton: "This demonstrates a research study needs to be able to go deep into each city, surveying each demographic segment with a large enough sample collected through rigorous methods, in order to paint an accurate picture of the lifestyle and consumption of consumers in China. This is imperative information which marketers and media owners rely on to help them make multi-million dollar investments on business development and expansion strategies."

On the go on Weibo
One in four Chinese urbanites aged 15 to 64 are now on Weibo.

Particularly, the younger generation of 15 to 24-years-old show rapid adoption of new technology and media

applications, embracing them with open arms.

Said Liu:

"Almost half (45%) of the younger generation in tier 1, 2 and 3 cities use Weibo, while one in three youngsters in lower tier cities are already there. About 20% in tier 1, 2, and 3 cities and 10% in lower tiers go online using their smartphones, which is double that of the total population."

Please see Figure 1, Use of emerging media by China's younger generation, for further details.

In terms of overall online social networking activities, one in three consumers (30%) from tier 1 cities has visited a social networking site (SNS) in the past month, while 18% and 10% have done so in tier 5 cities and rural areas of China.

Garton commented:

"Tier 1 figures might be above those of tier 5, but when looking at the overall numbers of users participating in social networking sites, 48% of those are in fact from tier 5 cities, 12% from tier 4, 17% from tier 3, 15% from tier 2, and 8% from tier 1. There are 494 tier 5 cities, representing 56% of mainland China's urban population. As these cities continue to develop, the opportunities for marketers are tremendous."

Having on the go accessibility to Weibo and other online social networking sites (SNS) further advances the popularity of these platforms.

Close to one in three (28%) respondents in tier 5 cities accessed the internet with their mobiles in the past month, which is even higher than those in tier 1 cities (24%). The highest is in tier 3 with 38% having gone online using their mobile phones.

Window shopping and buying - Online style

Overall, one in seven (14%) Chinese urbanites has shopped online in the past month, while 11% in tier 5 cities have done so. Given the vast number of tier 5 cities and their population, this translated to a 49% market share of online shopping by consumers in tier 5 cities alone.

Top items purchased online in the past six months:

1. Clothes/ fashion products/ shoes/ accessories - 69%: Highest purchase in tier 2 cities (75%); and 64% in tier 1 and 66% in tier 5 cities
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2. Personal digital products - 26%: Highest in tier 3 (30%); 29% in tier 1 and 24% in tier 5
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3. Personal care products - 23%: Highest in tier 1 and 3 (both 27%), 20% in tier 5
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4. Books/ newspapers/ magazines - 22.4%: Highest in tier 1 (32%), 19% in tier 5
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5. Home arts & crafts - 15.8%: Highest in tier 2 (20%); 14% in tier 1, 16% in tier 5

Please see Figure 2, Top items purchased online in the past six months, for further details

Commented Liu:

"Our latest findings show the internet is in fact the overall number one media in calling people to action. After seeing something on the internet, 37% would search for more information through search engines, 25% would visit the website and 8% would write an email to the address provided, all prompt to actions were above other media. Not too far behind television, 29% would talk with others once seeing a product or service online, compared to 31% after seeing something on TV; and 15% would purchase a product after seeing it on the internet, close behind TV's 17%."

Media Atlas China: Beyond Digital

"It is well known how rapidly China's middle classes are emerging as the economy continues a strong growth path. But you can't just knock on their doors to interview them anymore, because they have security measures such as gates or keypads which stop people - including market researchers. We can and do reach them via phone interviews, together with face-to-face methods to cover the balance of Chinese society. This uniquely sets apart the Media Atlas China study. Not conducting phone interviews, it can be said, would be to exclude large segments of China's middle class. We let the results speak for themselves and encourage all marketers to see just how much larger their audiences and opportunities in China really are," said Garton.

About Synovate

Please visit <http://www.synovate.com/>

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