Affluent Shopper Numbers Rise In China

Contributed by Warc
Thursday, 02 August 2012
Last Updated Thursday, 02 August 2012

Opportunities for luxury brands are growing still further in China, where the number of high net worth individuals continues to increase, a report has argued.

The Hurun Research Institute, the specialist think tank, and GroupM, the media arm of WPP Group, estimated there are now 1.02m millionaires in China, up 6.3% year on year.

Their average age was 39 years old, and 60% were male.

Similarly, the amount of billionaire's climbed by 6.3% on an annual basis, reaching 63,500 overall. The typical billionaire is 41 years of age, and men made up 70% of this cohort.

The 503 contributors to the report had an average wealth of RMB63m, some 15% higher than last year. Their consumption levels, however, fell by 9% to RMB1.76m. Tourism, education and daily luxuries were the main areas of spending.

Geographically, Beijing boasted the greatest density of millionaires and billionaires, housing 179,000 people from the former category and 10,500 from the latter.

Second position here went to Guangdong, with 167,000 individuals worth at least RMB1m, and 9,500 valued at more than 1bn. These totals stood at 140,000 and 8,200 for Shanghai in turn.

Breaking out different categories of affluent consumes, 50% of millionaires owned businesses, 20% were professional investors and 15% worked in the real estate industry. The proportion of business owners rose to 75% when discussing billionaires.

Among the other findings of the report was that millionaires generally have two personal bank accounts, rising to 2.8 for their even more wealthy counterparts.

Equally, while members of the first group possessed three cars and 4.2 watches, those in the second had an average of 3.4 cars and 5.6 watches.

Additional points of variation included the fact that news was the type of television programme most favoured by millionaires, whereas billionaires preferred content linked to economics and finance.

Looking online, 40% of high net worth individuals now utilise microblogging platforms such as Sina Weibo, an activity that has seen rapid growth across China's entire internet audience.

Rupert Hoogewerf, founder of the Hurun Research Institute, said:Â
"China's millionaires and billionaires are even busier than last year, which increases the difficulty of communication between the brand and the rich."

Data sourced from The Hurun Research Institute; additional content by Warc staff

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Beijing, China - 1 August 2012