

# Global Lifestyle Monitor IV – China Report

Prepared for Cotton Council International

Prepared by Synovate

Job number 6D77

Date April 2006





## Table Of Contents - China

	<b>Page</b>
I. Overall Background and Objectives .....	2
II. Overall Methodology .....	3
III. Shopping and Fashion .....	5
IV. Quality and Fibers .....	15
V. Casual Dressing .....	22
VI. Denim and Stretch .....	24
VI. Recommendations .....	28



## Overall Background

Since 1998, Cotton Council International (CCI) has successfully conducted the “Eurostyle Monitor” and “Global Lifestyle Monitor,” which investigate a wide range of lifestyle issues related to clothing, shopping, and textiles. This research has been important in adding value and increasing understanding of consumer attitudes and behaviors to CCI members around the globe.

The research looks in detail at lifestyles, clothing purchasing habits, and clothing interest and attitudes. Analysis of the results helps CCI understand:

- ✓ The issues behind cotton product demand,
- ✓ What motivates consumers to choose cotton over synthetics, and
- ✓ The implications of these issues for CCI’s strategy in promoting US cotton.

In 2006, Synovate was again selected to conduct and coordinate the Global Lifestyle Monitor (GLM) research for Cotton Council International.

# Overall Methodology

## Interviewing

Market	Methodology
<b>Brazil</b>	<b>Face to face:</b> Sao Paulo, Rio de Janeiro, Belo Horizonte, Recife, Porto Alegre
<b>China</b>	<b>Telephone:</b> Beijing, Guangzhou, Shanghai
<b>Colombia</b>	<b>Face to face:</b> Bogota, Cali, Barranquilla, Medellin
<b>Germany</b>	<b>Telephone:</b> national
<b>Thailand</b>	<b>Face to face:</b> Bangkok, Chiangmai, Chonburi, Hadyai, Korat
<b>India</b>	<b>Face to face:</b> Mumbai, Delhi, Bangalore, Kolkata, Chennai
<b>Italy</b>	<b>Telephone:</b> national
<b>Japan</b>	<b>Telephone:</b> Tokyo, Osaka
<b>United Kingdom</b>	<b>Telephone:</b> national

NOTE: Korea and Taiwan were not included in the scope of the survey in 2003 or 2006.  
 Hong Kong is also not included in the scope in 2006.  
 Thailand is being surveyed for the first time in 2006.



## Methodology – China

Fieldwork in China was conducted by Synovate from March 3<sup>rd</sup> to March 19<sup>th</sup>, 2006. 518 respondents in total, from Beijing, Guangzhou and Shanghai, were surveyed via telephone interviewing.

The key respondent qualification requirement is that they purchase their own clothing. In order to maintain data consistency with the study conducted in 2003, we also set soft quotas by gender, targeting 200 males and 300 females. All respondents fall within the 15-55 age range.

This summary of results highlights major changes between Global Monitor III conducted in 2003, and Global Monitor IV currently conducted in 2006.

### Store Examples Used During Interviewing:

- Department stores (e.g. Grandbuy Department Store, Xingdaxing Department Store, Wangfujing Department Store, Pacific Department Store)
- Hypermarkets/Warehouse Clubs (e.g. Wal-mart, Wanjia, Parknshop, Carrefour)
- Chain/Specialty shops outside of department stores (e.g. Beleno, Giordano, Gloria)
- Sports/Sporting good stores (e.g. Pepsi chain store, Lining chain store, Nike chain store)

---

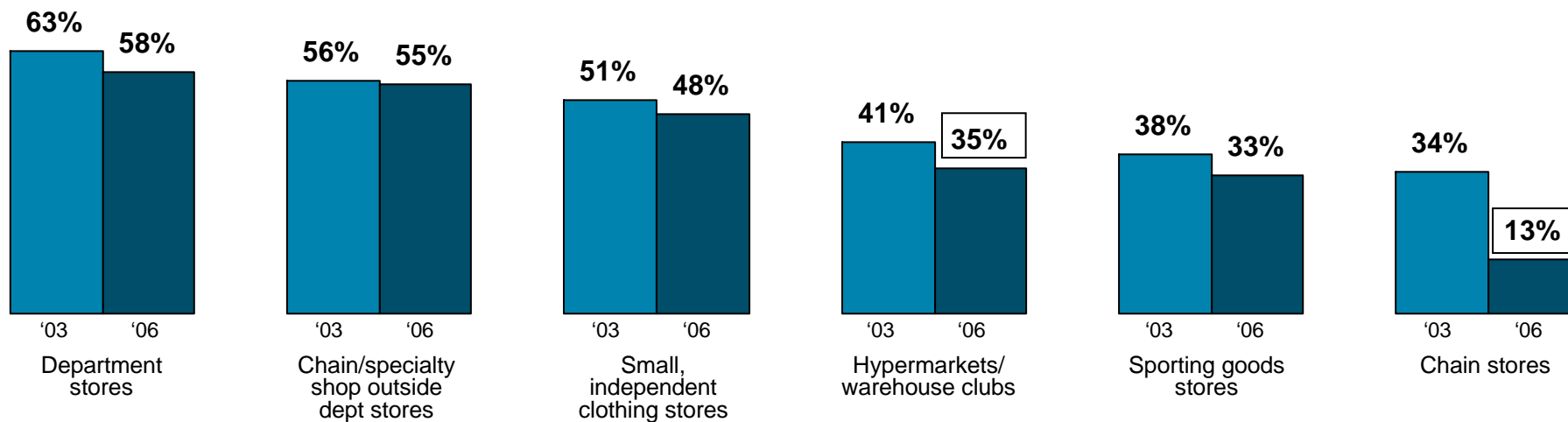
Base: Total Respondents: 2003 (n=504); 2006 (n=518)

# Shopping and Fashion - China

## Shopping and Fashion - China

In China, shoppers buy from a wide variety of venues. Department stores (58%) are the primary shopping source along with chain/specialty shops (55%) and small independent clothing stores (48%).

### Stores And Places Used To Buy Clothes For Yourself

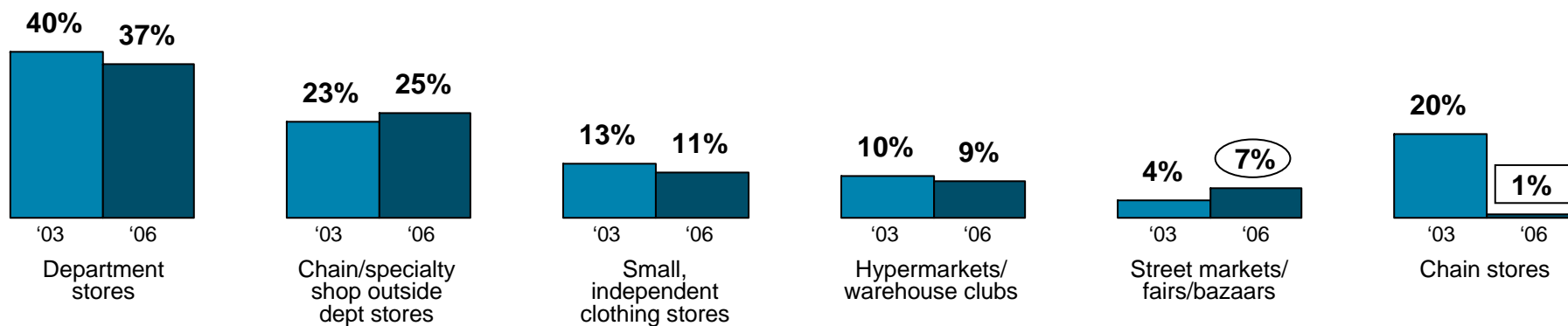


□ Significantly lower than GLM III at the 95% confidence level

## Shopping and Fashion - China

There is a significant difference in favored stores. Department stores are the shoppers' favorite clothing store (37%) where they buy most of their clothing.

### Stores and Places Used To Buy Most Of Your Clothes

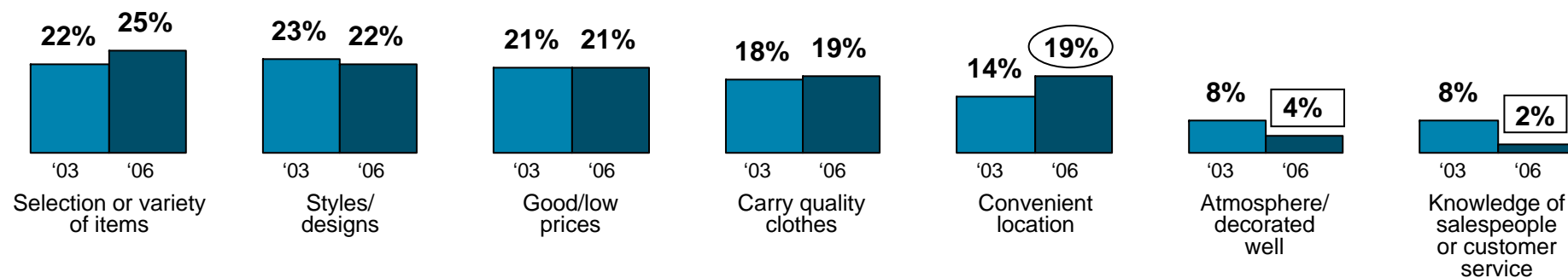


○ Significantly higher than GLM III at the 95% confidence level  
 □ Significantly lower than GLM III at the 95% confidence level

## Shopping and Fashion - China

The selection or variety of items available (25%) is the top reason for liking a particular clothing store. Convenience (19%) has increased in importance since 2003 (14%).

### Clothing Store Attributes

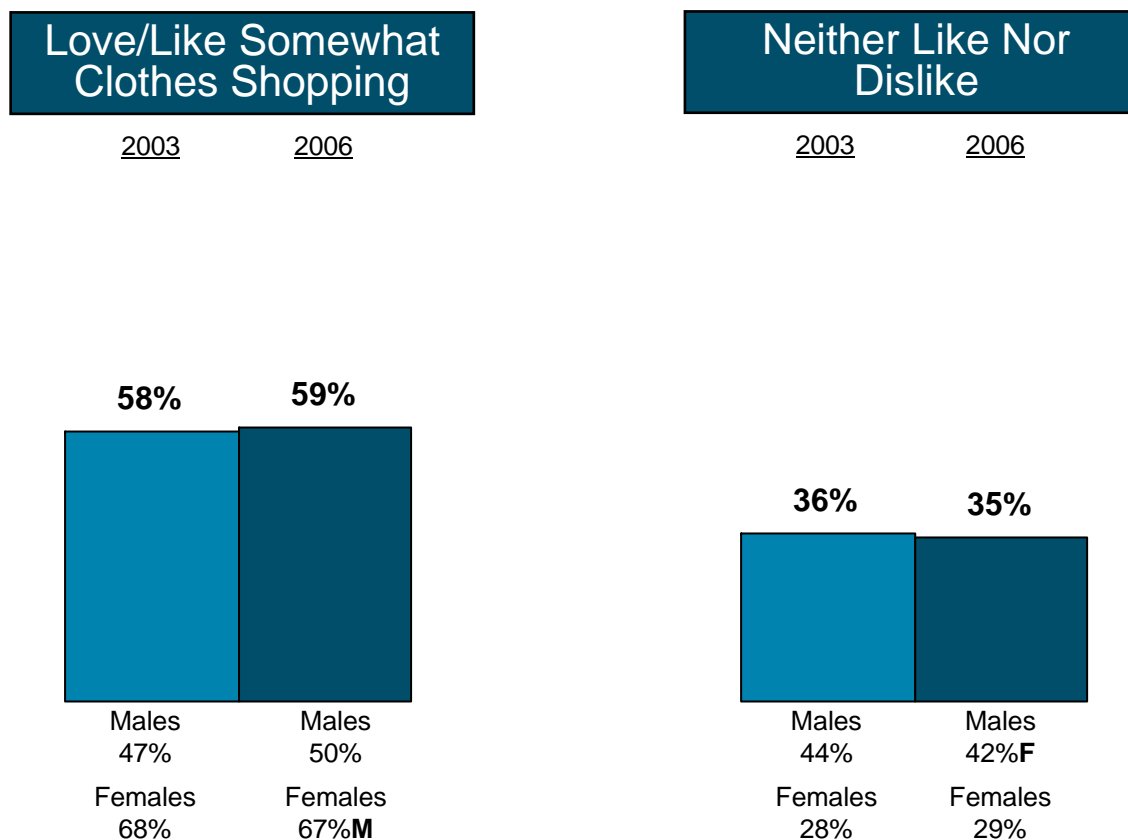


○ Significantly higher than GLM III at the 95% confidence level

□ Significantly lower than GLM III at the 95% confidence level

## Shopping and Fashion - China

Chinese consumer attitudes toward shopping are less positive than in Japan (71% love/like shopping for clothes) and India (95%). Among Chinese respondents, 59% love/like shopping for clothes. As usual, females are more prone to love shopping.



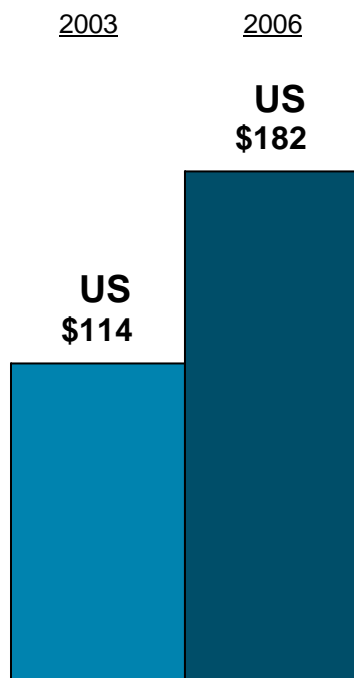
F Significantly greater than women at the 95% confidence level

M Significantly greater than men at the 95% confidence level

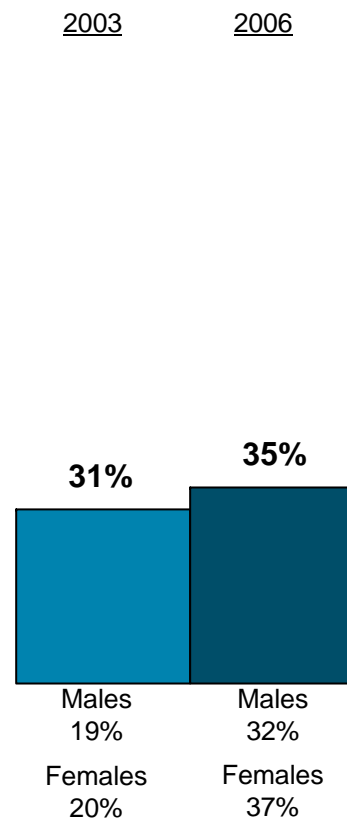
## Shopping and Fashion - China

In general Chinese shoppers are spending an increased amount of money on clothing for themselves. Over the past three months they spent an average of \$182, up from \$114 in 2003. About one-third of Chinese consumers are shopping for clothes at least once a month.

Average Spent on Clothes In Past 3 Months



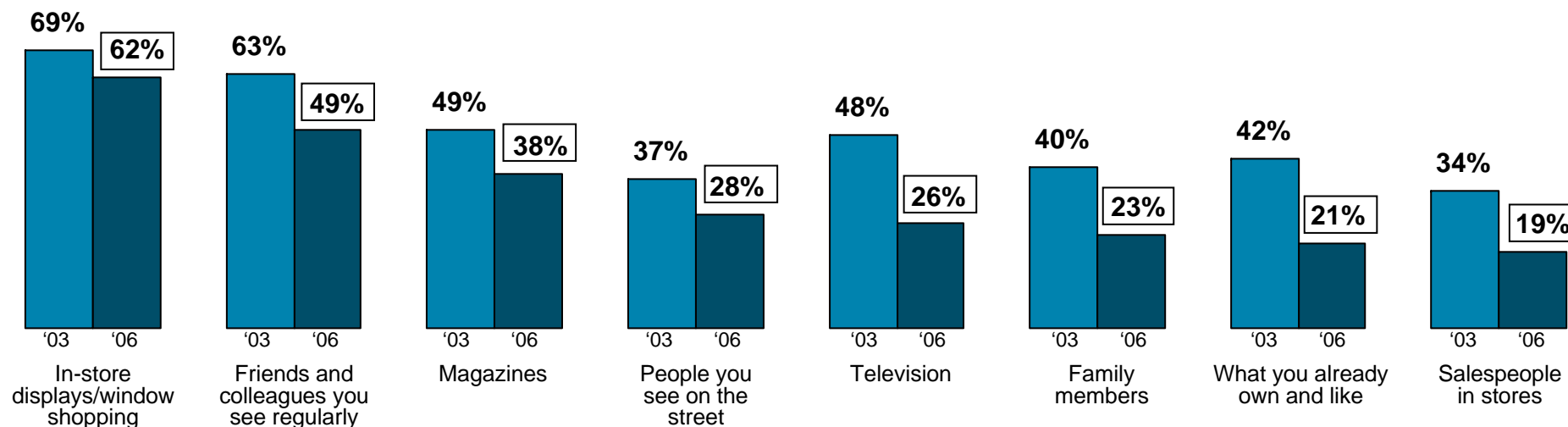
Buy Clothes At Least Once A Month



## Shopping and Fashion - China

In-store displays (62%) and friends/colleagues (49%) are the main source of inspiration for clothes despite their significant decline. Also of importance are magazines (38%), which have declined but are still a source of inspiration.

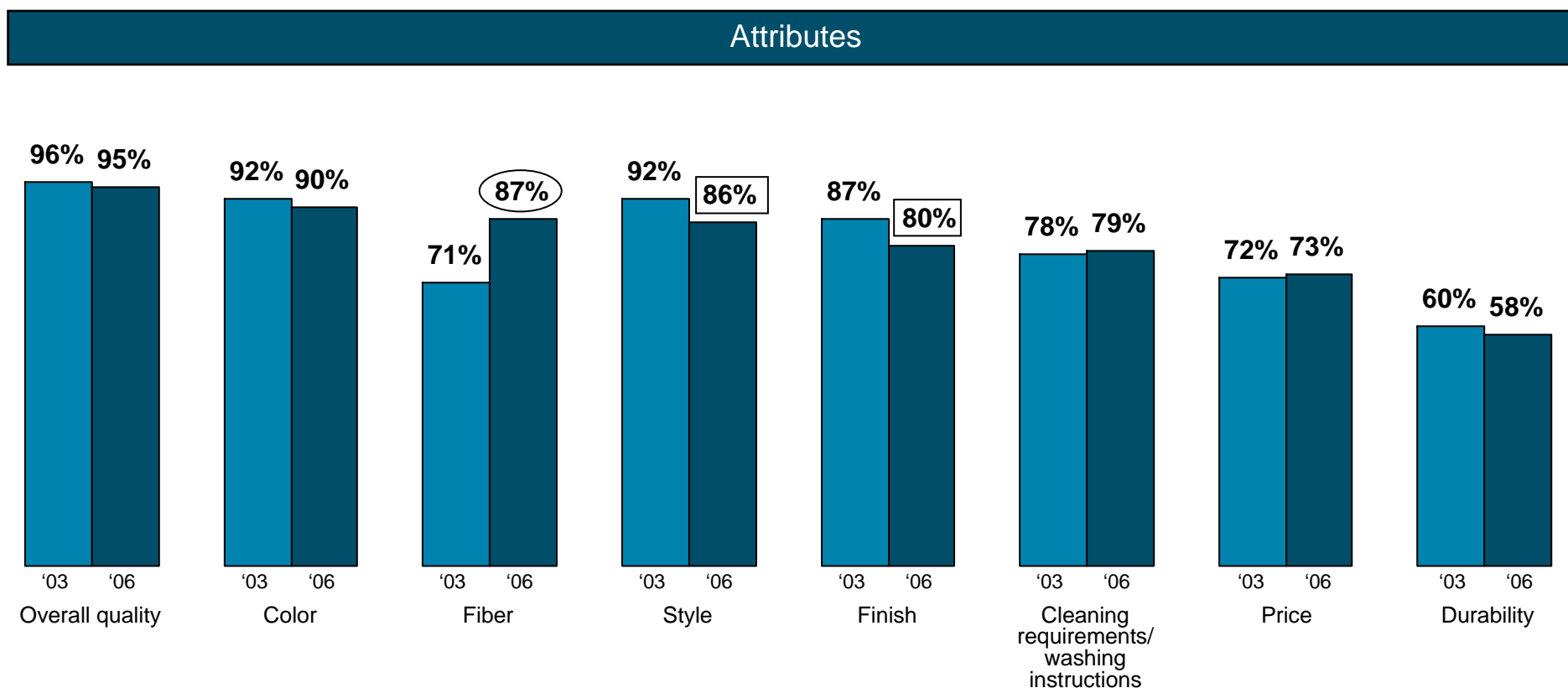
### Place Where Consumers Get Ideas For Clothes



□ Significantly lower than GLM III at the 95% confidence level

## Shopping and Fashion - China

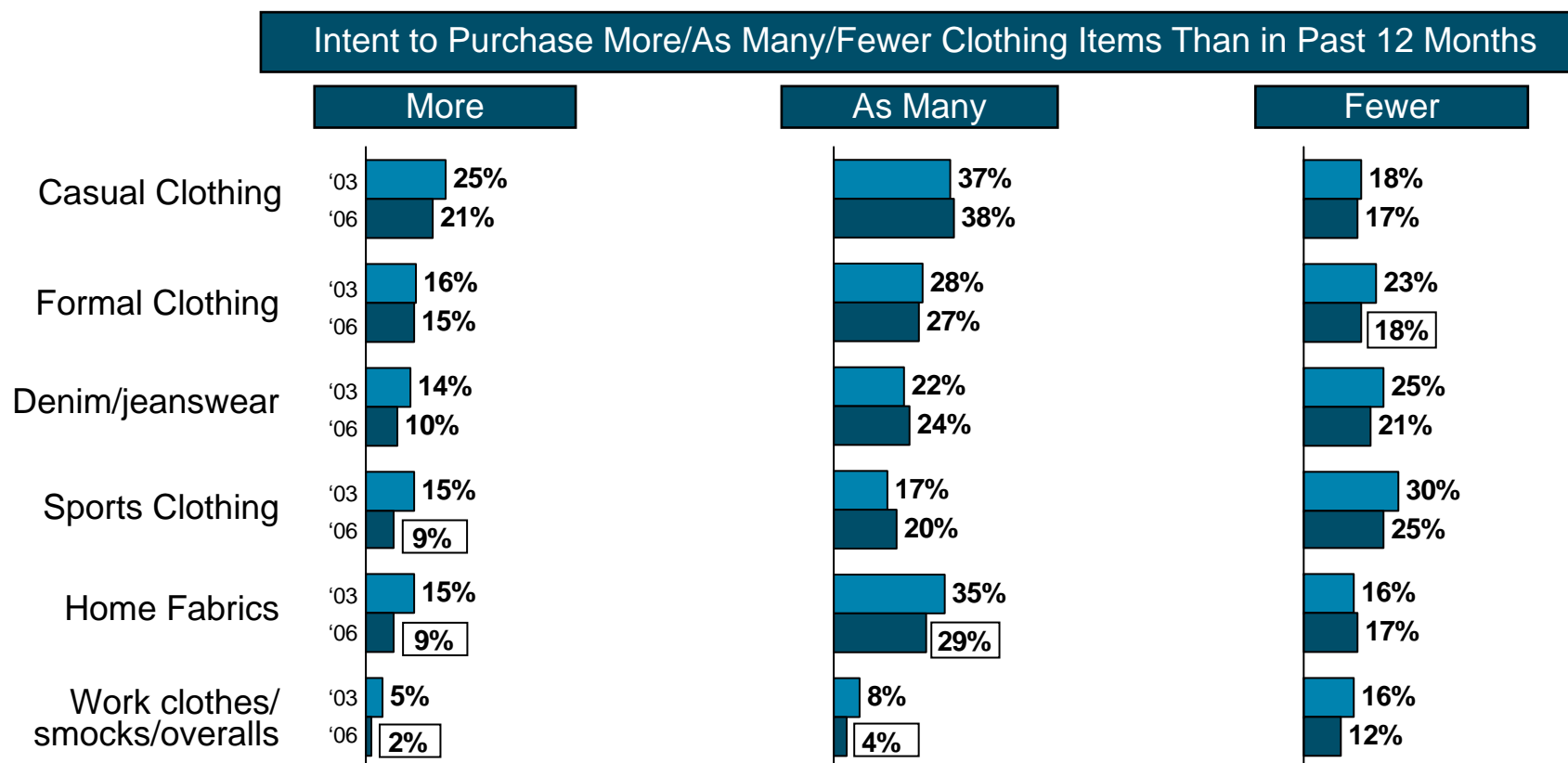
Those interviewed ranked many clothing attributes as important. Finish and style have declined in importance whereas fiber has increased in importance. Since 2003, price and durability continue to be less important relative to other countries.



○ Significantly higher than GLM III at the 95% confidence level  
 □ Significantly lower than GLM III at the 95% confidence level

## Shopping and Fashion - China

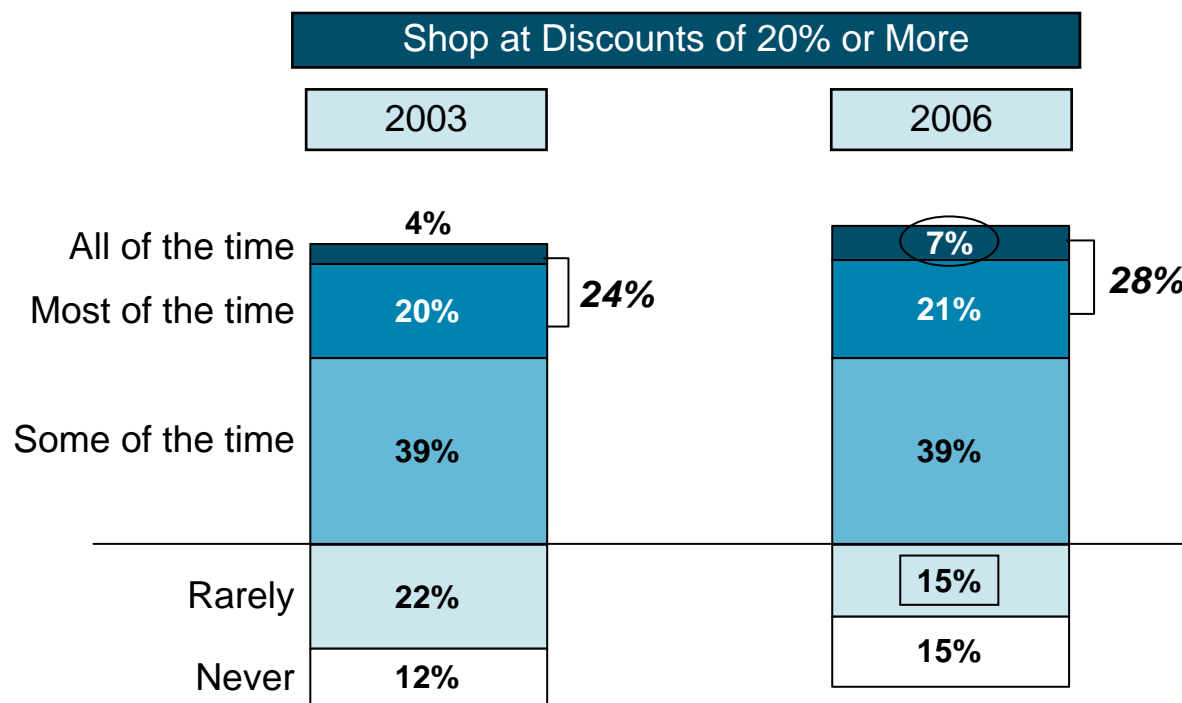
Over the next 12 months, shoppers are likely to purchase more casual clothing items (21%) and formal clothing (15%).



□ Significantly lower than GLM III at the 95% confidence level

## Shopping and Fashion - China

A slightly higher percentage of Chinese shoppers are buying clothes all or most of the time for discounts of 20% or more.

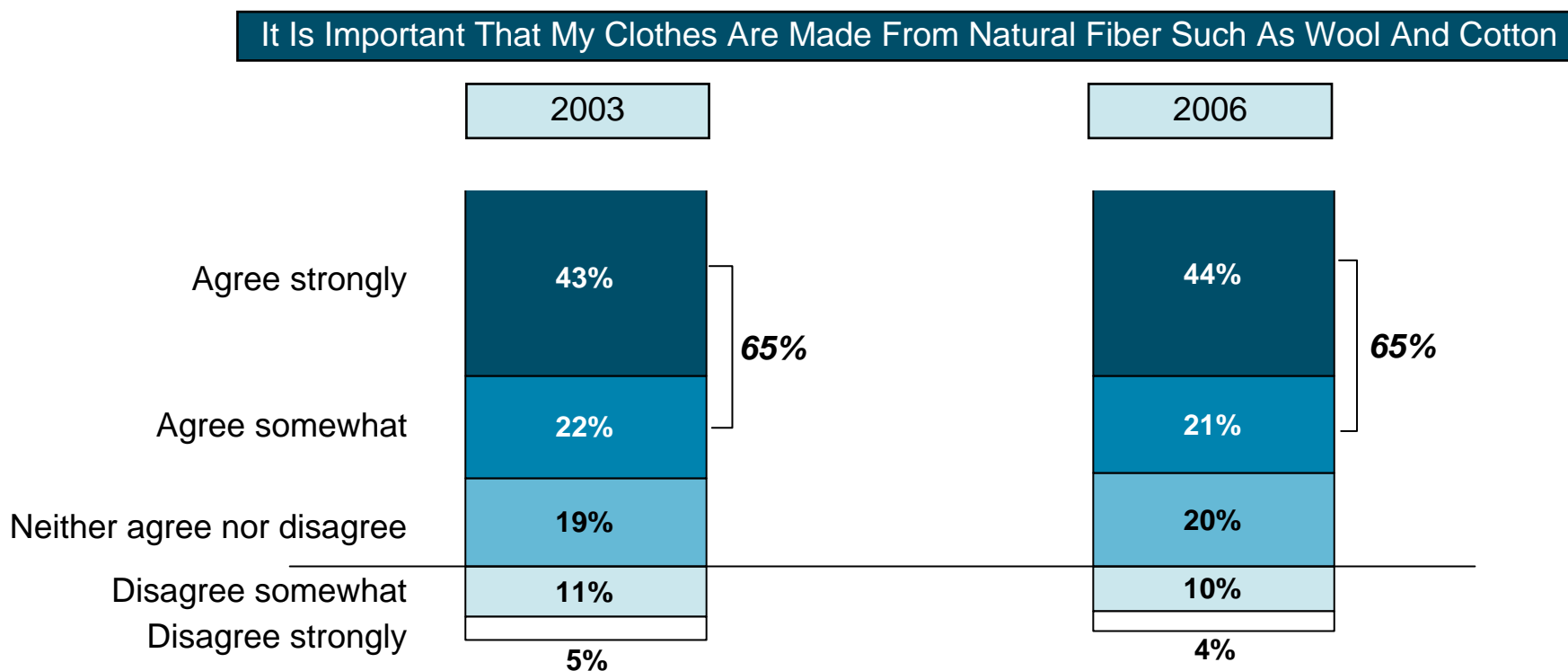


○ Significantly higher than GLM III at the 95% confidence level  
 □ Significantly lower than GLM III at the 95% confidence level

# Quality and Fibers - China

## Quality and Fibers - China

Within China, there continues to be a relatively high percentage of shoppers who feel it is important to have their clothing made from natural fibers (65%).

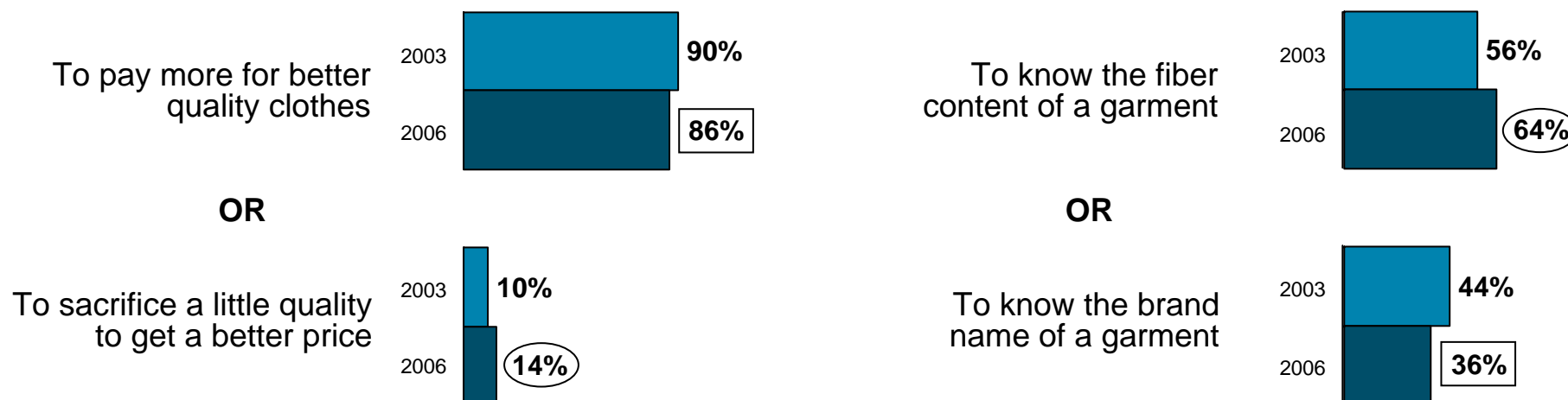


## Quality and Fibers - China

Opinions regarding fiber content versus brand name have slightly changed since 2003, with an increased percentage of respondents preferring to know the fiber content (64%, up from 56% in 2003) rather than the brand name (36% vs. 44%).

There is strong preference among Chinese consumers to pay more for better quality clothes (86%) rather than sacrificing quality for price (14%).

### Preferences

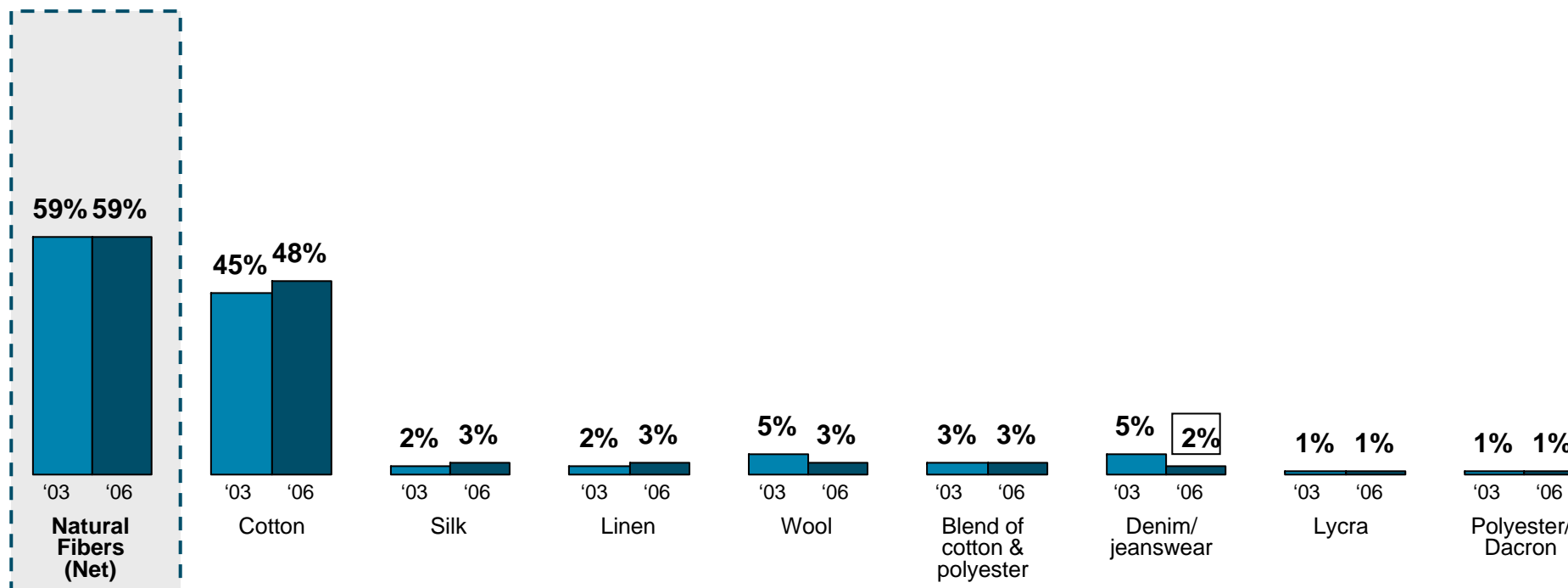


○ Significantly higher than GLM III at the 95% confidence level  
 □ Significantly lower than GLM III at the 95% confidence level

# Quality and Fibers - China

Natural fibers are still considered to be the fiber best suited for today's fashions with almost no other type of fiber even being considered.

## Fiber Best Suited For Today's Fashions

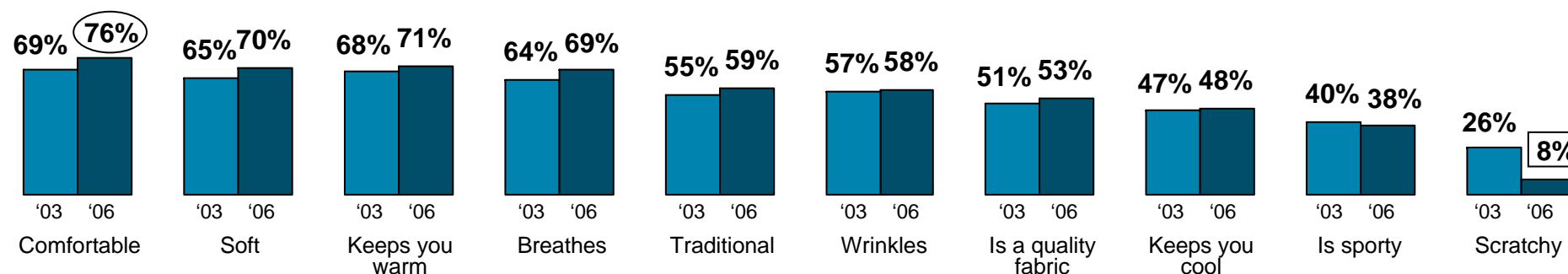


□ Significantly lower than GLM III at the 95% confidence level

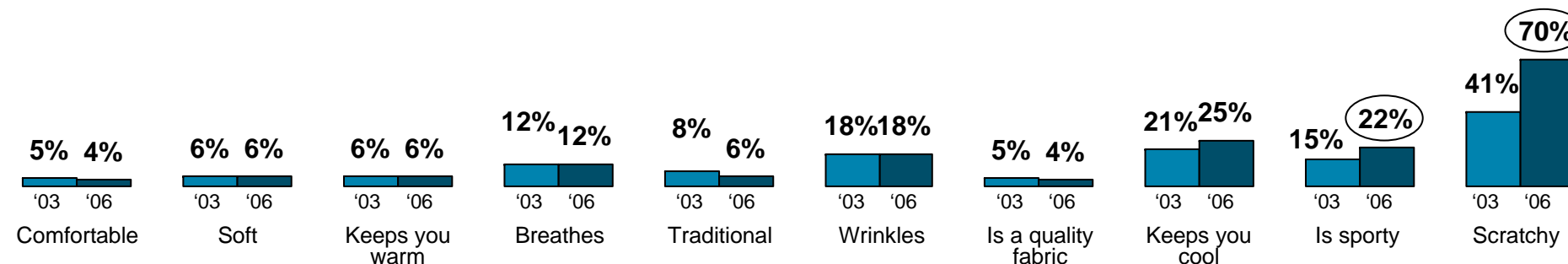
# Quality and Fibers - China

In comparison to polyester, cotton is ranked significantly higher in many important attributes. There is a significant increase among those who find cotton to be described as comfortable.

## Cotton



## Polyester



○ Significantly higher than GLM III at the 95% confidence level  
 □ Significantly lower than GLM III at the 95% confidence level

## Quality and Fibers - China

Overall, the majority of Chinese shoppers would prefer to buy clothes that they know will be basics in their wardrobe for several years rather than to favor style.

### Preferences

To buy clothes that you know will be basics in your wardrobe for several years



**OR**

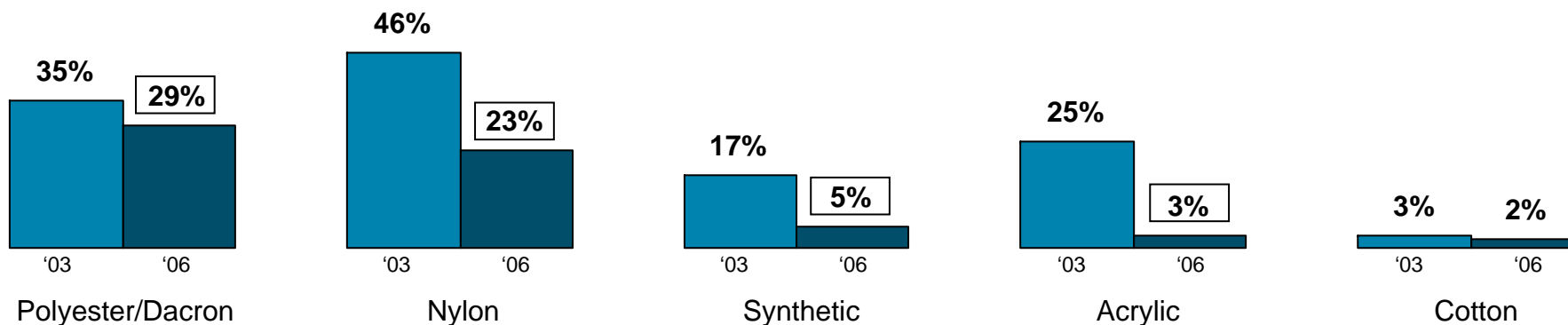
To buy clothes that are the latest style, knowing that they may be out of date in a year or two



## Quality and Fibers - China

More shoppers continue to avoid polyester/dacron, nylon, and synthetics than other fibers. Very few avoid cotton when purchasing clothing.

Fiber Avoided When Purchasing Clothing  
(Among Those Who Said They Avoid Particular Fibers)



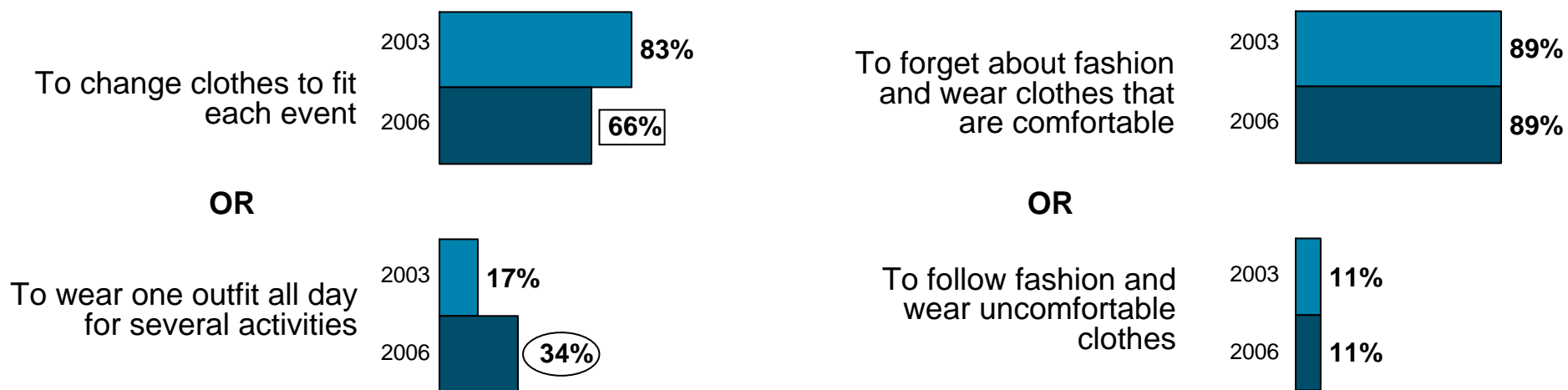
☐ Significantly lower than GLM III at the 95% confidence level

# Casual Dressing - China

# Casual Dressing - China

There is a significant decline among shoppers in terms of preference to change clothes throughout the day to fit each event. That same trend is reflected in their continued preference to forget about fashion and wear comfortable clothes.

## Preferences



○ Significantly higher than GLM III at the 95% confidence level  
 □ Significantly lower than GLM III at the 95% confidence level

# Denim & Stretch - China

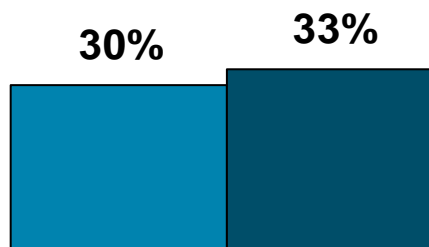
## Denim & Stretch - China

Only one-third (33%) of respondents know that denim/jeanswear is made from cotton, a slight increase compared to 2003 (30%).

Aware That Denim and  
Jeanswear  
Is Made From Cotton

2003

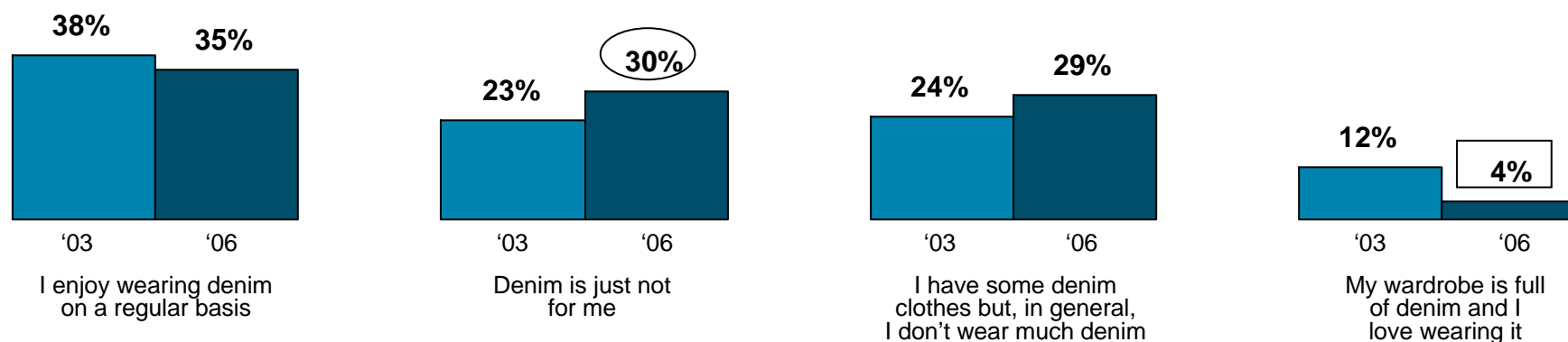
2006



## Denim & Stretch - China

Just 4% of those interviewed love wearing denim, down from 12% in 2003. Those who do not wear much or who say that denim is not for them have increased compared to 2003.

### Attitudes Towards Denim/Jeans wear

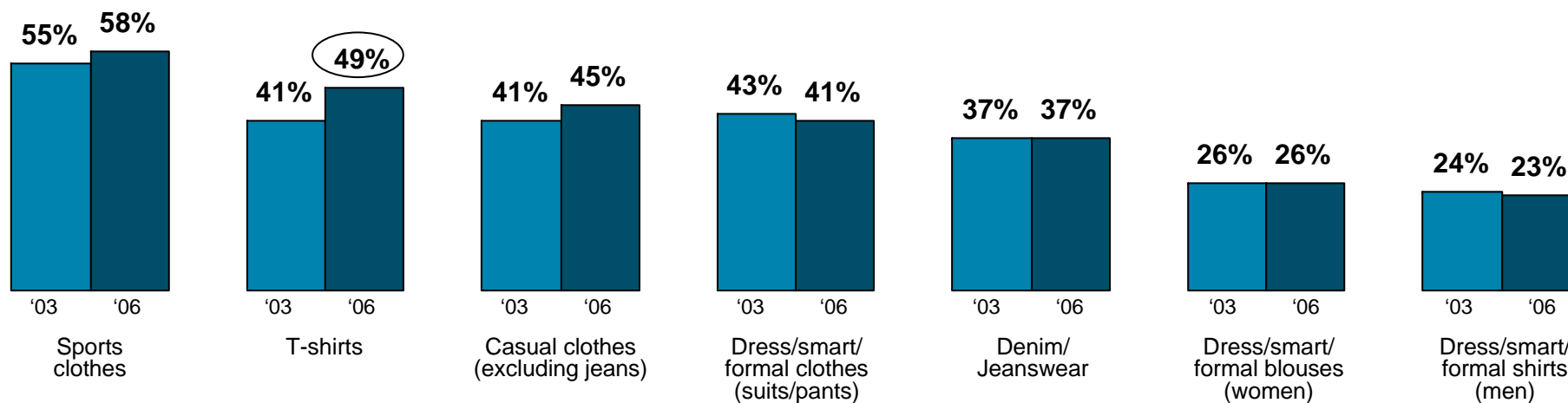


○ Significantly higher than GLM III at the 95% confidence level  
 □ Significantly lower than GLM III at the 95% confidence level

## Denim & Stretch - China

The presence of stretch and elastic fabric is moderately increasing in importance in sports clothes, casual clothes (excluding jeans), and significantly in t-shirts.

Think It's Important To Have *Stretch* or *Elastic Fabric* In Certain Types of Clothing



○ Significantly higher than GLM III at the 95% confidence level

# Recommendations - China



## Recommendations - China

Chinese consumers avoid synthetics more than any other country. Because they are more savvy in recognizing the content labels, they continue using department stores that carry the widest selection of clothing styles and usually the better quality fibers.

Considering this is not a country in which jeans are worn often, it is not unusual that they are less aware of the relationship between cotton and denim.

Recommendations for China include:

- Targeting department in-store displays would benefit most considering it is one of the primary points of inspiration for clothing purchases.
- There is a continued usage of hypermarkets and warehouse clubs where there is less advertising for clothing products. Increased awareness of availability of cotton products in these outlets could be beneficial.
- It is well-known in China that product reassurances through advertising are perceived positively. Considering that the importing of mixed fiber clothing is on the rise, it could be beneficial to reaffirm the quality of 100% cotton products.