

A Tale of Two Cities

MVA Business, Market, Social and Research finds out how shoppers in the two leading Chinese metropolis find bargains in *the best* and *the worst* of times

It is certainly the best and the worst of times for China. Hopes for the much-awaited Beijing Olympic Games to bring about unprecedented commercial benefits to the burgeoning economy are undercut by series of major natural disasters since beginning of this year and an equally destructive quake in the stock market. Hong Kong as an SAR of China is also touched by the happenings in the motherland.

Whether you see optimism or pessimism in all that, Chinese consumers are quick to adapt to the circumstances. Mindful shoppers, regardless of good times or bad times, always hunt for the best bargains there are. In a recent survey undertaken



by **MVA BMSR** and Marketing in Asia Group (**MAG Scholar**[®]), shoppers from Hong Kong and Shanghai expressed their attitudes towards some of the most popular sales promotion means in the market place.

Preferred Sales Promotion Means

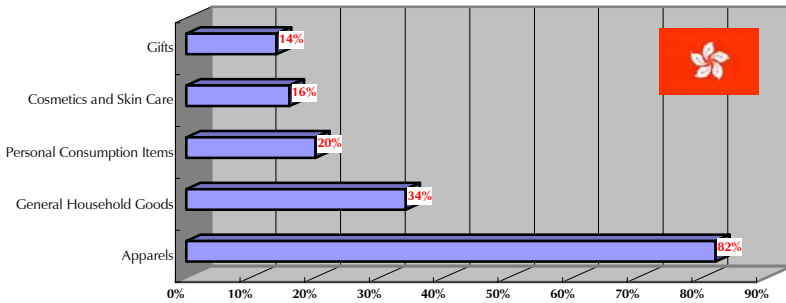


78% of the shoppers surveyed in Hong Kong mentioned **'discounts'** a preferred sales promotion means, followed by **'coupons'** (62%), and **'cash refund offer'** (57%).

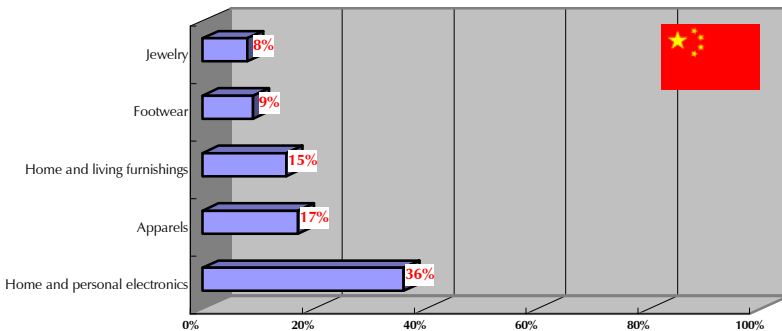
In Shanghai, shoppers rated on a 5-point scale on their preference towards the same list of sales promotion means. **'Cash refund offer'** topped the list with a mean rating of 3.45, followed by **'coupons'** (3.11) and **'promotion premiums'** (3.05).

Shopping via Sales Promotions Means

Apparels are the top product category for Hong Kong bargain shoppers ...



... whilst electronic gadgets attracted most Shanghai shoppers seeking promotion offers.



Foods and beverages are excluded from this survey.

Sales Promotion Offers Enjoyed

Percentage discounts are the most prevalent sales promotion offers enjoyed by the surveyed respondents in Hong Kong and Shanghai across almost all product categories.

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In Hong Kong, **patronage rewards** (including credit card bonus points) is also popular with jewelry purchases. **Free or reduced price premiums** for HDTV purchases, **tie-in samples** (like peripherals) for personal computers, and **trade-in** for mobile phones appear to be useful promotion means.

Point-of-purchase promotions are seen to generate 'special meaning' to the shoppers' purchase experiences.



Novelty with limited edition tends to have collection values, and generate interest among Hong Kong and Shanghai shoppers too.

Shanghai shoppers like it overall, whilst Hong Kong shoppers find it 'worth the efforts' to participate in the stamp collection process in exchange for the novelty items.

For further details regarding this regional survey, which covers other cities and countries, please contact:



MVA Business, Market, and Social Research Group (BMSR) on **(852) 2529 7037**, or contact us at **bmsr@mva.com.hk**

About MVA Business, Market And Social Research Group

The MVA Group, which was founded in the UK in 1968, comprises of a diverse group of results-oriented people providing an array of consulting services in Europe (the UK and France), Middle East (Dubai) and Asia-Pacific region (Hong Kong, China Mainland, India, Singapore, and Thailand).

As a multi-discipline consultancy, MVA provide professional services ranging from :

**Business Consulting – Marketing & Social Research –
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About Marketing in Asia Group (MAG Scholar)

MAG Scholar is a community of scholars who share an interest in Asian culture and marketing. The Group's primary research interest is to advance knowledge on why and how some elements of culture influence the theory and practice of marketing in a particular market.

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