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**ADVERTISING IN EMERGING MARKET:
RELATIONSHIPS AMONG
ADVERTISING, VALUES AND LIFESTYLES
OF THE NEW URBAN MIDDLE CLASS IN POST-REFORM CHINA**

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Ph.D.

The Hong Kong Polytechnic University

2018

The Hong Kong Polytechnic University

School of Design

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LI WENHUA

**A thesis submitted in partial fulfillment of the requirements
for the degree of Doctor of Philosophy**

October 2016

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ABSTRACT

The fundamentals of this thesis rely on the need for insights into consumer values and lifestyles in emerging markets. Previous studies on values, lifestyles, and advertising are conducted in developed economies with mature consumer markets. In emerging markets, the generalizability of findings from earlier studies needs to be examined. An enhanced understanding of the lifestyles of consumers in emerging markets, of their attitudes toward advertising, and of the values they cherish most, will improve the performance of designers, advertisers, and marketers. Guided by such an objective, this research presents quantitative studies on advertising, values, and lifestyles of the new middle class in post-reform China. This class is a representative emerging market with relatively strong economic growth.

This research seeks to understand the intra-class differences among the middle-class consumers in China in terms of value ranking, lifestyle segments, and attitude to advertising. The new middle class in China is segmented into four lifestyle groups to portray their demographics, lifestyles, value propositions, and consumption patterns, all of which offer up-to-date knowledge about the new middle class in post-reform China. The lifestyle segments identified in this research can help marketers to compare the similarities and differences between the Chinese middle class and the consumers in developed markets.

This study examines value and lifestyle issues from the perspective of advertising in emerging markets. The mediating role of advertising enables us to better understand the formation of and changes in the values and lifestyles of the new middle class in emerging markets, such as China. Value priorities and lifestyle preferences significantly affect purchase decisions. Therefore, understanding the shared values, lifestyles, and desires of

different groups of Chinese middle class can help marketers precisely target potential consumers and develop in-depth consumer insights. The findings of this study can also contribute to advertisers and designers by enabling them to understand the attitudes of the Chinese middle class toward advertising, the way they perceive and interact with advertisements, and the value themes in advertisements that attract them the most. Empirical findings in this research give a broader and more comprehensive view on values and lifestyles of middle-class consumers in emerging economies.

ACKNOWLEDGEMENT

I would like to express my sincere appreciation to my supervisors, Prof. Cees de Bont, Associate Professor Dr. Jackie Y. C. Kwok, and Assistant Professor Dr. Vincie P.Y. Lee, for their patient guidance, full support, and significant encouragements, which supported my research and my personal and academic well-being along this academic journey. I would also like to acknowledge the School of Design of the Hong Kong Polytechnic University for its terrific study environment and abundant resources. I am extremely thankful to my colleagues and friends for their enthusiastic assistance throughout this research process. Last but not the least, I would like to thank my family: my parents and to my husband for supporting me throughout the PhD research journey and my life.

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Chapter 1 Introduction to the Research

1.1 Research Background

Emerging economies backed by social and economic reforms lead the rapid growth in consumer income, spending power, and demand for consumer goods. These rapid developments attract significant attention from developed markets (Khanna and Palepu, 2013; Hsiao, 2013; Kravets and Sandikci, 2014). Multinational corporations have invested substantially in emerging markets, with the hope of profiting from their tremendous growth potentials (Cui and Liu, 2001). A country that has received considerable attention is China. The development of the Chinese economy is shifting from manufacture-driven to consumption-driven growth, which is attracting an increasing number of multinational corporations to enter the market and capture its tremendous growth potential (Cui and Liu, 2001; Barton, Chen and Jin, 2013). The advertising industry has been changing rapidly to adapt to market needs. Transnational enterprises and organizations place strong interests in the Chinese market. Even during the global economic recession, China maintained steady growth above the average level of the global economy, thus showing strong consumption power. Many transnational enterprises have realized the importance of the Chinese market. These enterprises have converged in China to reach one-fourth of the world's population and their increasing spending power. Some transnational enterprises succeeded in this goal, whereas many suffered from slow sales and elusive profits (Cui and Liu, 2001). Marketing strategies that succeed in developed markets in the past need to be adjusted in a new economic environment with the rising middle class consumers (Barton, Chen and Jin, 2013; Hsiao, 2013; Khanna and Palepu, 2013). Despite China's growing market and a new middle class with rapidly growing spending power, assessing consumer needs and creating effective advertising strategies are

still difficult. Understanding the needs, preferences, and desires of Chinese consumers has thus become the priority of the transnational enterprises' marketing departments. However, fully understanding Chinese consumers is a challenge for transnational brands because of the oriental culture, socialist ideology, and particular way that the Chinese deal with life and work. Moreover, economic and cultural globalization, the World Wide Web, media, and advertising have different levels of impact on the lifestyle and behavior of Chinese consumers. Advertising is one of the most influential cultural factors shaping the lifestyles and society today (Featherstone, 2007). It pervades our daily life; introduces new technologies to us; creates meanings for products; connects products with values, lifestyles, and human relationships; taps into the desires of potential consumers; guides their consumption behaviors; and forms dominant cultural values in the society. Advertising alters the manner by which we perceive products and the material world. Advertising in the digital age has great potential, effectiveness, and efficiency in influencing the values and lifestyles of consumers. In the digital age, advertising plays the role of experience provider by offering meaningful and memorable brand experiences for consumers interacting with them (Van Waart, Mulder and de Bont, 2011).

Values are guiding principles for our everyday life (Rokeach, 1973). Values are essential in understanding consumers because of its influences on consumer interests and behavior (Clawson and Vinson, 1978; Pitts and Woodside, 1983; Kahle and Kennedy, 1989; Schwartz, 1994; Davidov et al., 2008; Jansson et al., 2011; Hansen, Risborg and Steen, 2012). The dominant values in a society guide the attitudes and behavior of people who live in the society. Different values are cherished in specific cultural contexts (De Pelsmacker et al., 2013). Value is an important starting point in understanding consumers in emerging markets. Cultural values are the core of advertising

messages, affecting the perception of consumers on advertisements. To ensure smooth and effective communication with the consumers in emerging markets, advertisers and marketers must know about the cultural contexts and dominant values shared by the consumer segments.

Lifestyle is one of the most popular topics within social groups, which has become a lifelong project for individuals (Featherstone, 2007). Advertising plays an essential role in leading desired lifestyles for certain groups, forming consumer culture, and emphasizing boundaries and distinctions between classes (Featherstone, 2007). Personal values held by the consumers contribute to understand their lifestyles (Hansen, Risborg and Steen, 2012).

The lifestyles of the middle class are an important issue that appeals to various interests from the marketing and advertising industries. The consumption power of the Chinese upper and middle class is astonishing and attractive to transnational enterprises and local companies. The Chinese middle class is eager to adopt advanced Western lifestyles. Their desires are strongly influenced by advertising, and gaining their loyalty is the goal of most fast-moving consumer goods brands. To some extent, lifestyle visualizes the social status of individual (Hsiao, 2013). Bourdieu (1984) and Fussell (1992) have depicted the consumer behaviors and lifestyles of the middle class to explain the importance of lifestyle as a criterion of social stratification. Globalization and the Internet have changed the world and our lives dramatically. Signs of consumption are flowing in both local society and around the world. The influences of lifestyle trends are global. Lifestyles in vogue last only for a short period and are replaced by new lifestyles because fast-changing lifestyles determine the things that people buy and use during a certain period. Understanding the values and lifestyles of middle-class consumers in emerging markets under the influences of globalization and the Internet is an opportunity and a challenge for researchers and marketers.

1.2 Research Scope

This research contains four key concepts: advertising, lifestyle, value and middle class.

The scope of advertising in this research refers to commercial advertising, which is not just a persuasive communication intermediary and value transmitter between products and consumers, but an important cultural factor shaping the lifestyles of consumers in the society (Featherstone, 2007). Advertising messages are created by people with a specific cultural background. The audiences use their cultural values and knowledge to decode the advertising messages. Advertising is a good vehicle for tapping into the desires of potential consumers and influencing their values and consumption behavior via idealized lifestyles (Englis and Solomon, 1995). Studying the values in the advertisements targeting certain consumer segments is an effective way to get up-to-date knowledge about mainstream values promoted in mass media and its influences on the real life of target audiences.

The scope of lifestyle in this research is the material life of individuals and groups, which is related to the consumption and the preference of living styles. Lifestyle is defined as a distinctive mode of living (Lazer, 1963), which is about how people spend their money and time (Vyncke, 2002). It brings aesthetic experience and enjoyment and indicates individuality, self-expression, stylistic self-consciousness and social status (Featherstone, 1987). Lifestyle is also defined as the shared values reflected in consumption patterns (de Mooij, 2010). The values individual fulfill will lead them to different life roles (Kahle, 2013). Lifestyle analysis usually measures values and attitudes, exploring the relationships between values and attitudes of lifestyle groups. The lifestyles of Chinese middle class are investigated in this research.

Values develop from life experience (Kahle, 2013). Values serve as guiding principles in everyday life (Rokeach, 1973). Some values are ranked in priority in comparison with other values. Dominant values vary among different cultures and societies. Values are essential in understanding consumers because of its influences on consumer interests and behavior (Clawson and Vinson, 1978; Pitts and Woodside, 1983; Kahle and Kennedy, 1989; Schwartz, 1994; Davidov et al., 2008; Jansson et al., 2011; Hansen, Risborg and Steen, 2012). All the advertisements carry values. Value communicated through advertising messages is considered a powerful force in shaping the motivations, lifestyles, and product choices of consumers (Tse et al., 1989; Hansen, Risborg and Steen, 2012). The value themes of advertising and value priorities in China are studied in this research.

The scope of middle class in this research is that of the consumer segment, which represents people with middle-level income, educational qualification and spending power. We pay attention to their shared values, lifestyles and attitudes to advertising instead of focusing on social stratification, political roles, and general attitudes. The new middle class are those “salaried” employees who work with the means of production and depend on large corporations, such as senior managers, administrative officers in governments, technicians with professional qualification (Mills, 2002). Lifestyle is used as the key criterion to define new middle class in China. This research will take a close eye on the lifestyles of new middle class living in urban China, to divide Chinese middle class into several segments based on their lifestyle differences, to examine intra-class differences of values, lifestyles, and attitudes among them.

Analyzing the interrelationships among advertising, lifestyles and values of the new middle class in China based on empirical evidence will be valuable to understand the mechanism of advertising in guiding and shaping the lifestyles

and values of Chinese middle class and further influence social and cultural trends.

1.3 Aims and Objectives

The review of literature on advertising research, consumer research, and theoretical background on the new Chinese middle class supported the idea that advertising plays an important role in shaping the cultural world and influencing the lives of people. However, most studies on values, lifestyles, and advertising are conducted in developed economies with mature consumer markets (Burgess and Steenkamp, 2006; Zarantonello, Jedidi and Schmitt, 2013). For emerging markets, the generalization of these advertising and consumer theories need to be examined. Important differences may exist in advertising and consumer lifestyles between developed and emerging markets. The economies in some emerging markets have been increasing faster than those in developed markets because of the global recession that started in the late 2000s (Khanna and Palepu, 2013). According to the Euromonitor International Report 2013, emerging markets will grow three times faster than developed markets and will become the key impetus for global economic growth (Boumphrey, 2013). As the leading emerging economy with prosperous growth, China is chosen as an appropriate example of an emerging economy with its sheer size in population and spending power. In addition, different from other emerging markets, such as Brazil and South Africa, China has continued to show economic growth in the past two decades (Armijo and Roberts, 2014; Wright, 2016). Moreover, Chinese Government has shifted to consumption-driven economy and encourage domestic consumption to drive economic growth (Canton, 2015).

In post-reform China, the development history of Chinese advertising represents the evolution of Chinese consumers. Similar to the middle class in other emerging economies, the Chinese middle class is very sensitive about

social status, lifestyles, and symbolic consumption (Hsiao, 2013; He and Qian, 2017). They show a relatively positive attitude toward advertising. Numerous studies have been conducted about the middle class in emerging economies, mainly focusing on political issues, self-identity issues, and consumer behavior. However, few studies investigate the formation of middle-class lifestyles from the perspective of advertising. As a powerful, pervasive ideological weapon, advertising subtly influences mainstream thoughts and trends in the society. The dominant values delivered by commercial advertisements have the power to change the values of individuals, especially for the middle class who are eager to be recognized by the society.

The objectives of this research are: to investigate the values and lifestyles of the new middle class in China and examine the intra-class differences among middle class on lifestyles and values; to investigate the influences of advertising in shaping the values and lifestyles of the new middle class in China. The theories of advertising, values, and lifestyle taken from developed markets are examined in the context of emerging markets. This research tends to offer empirical evidence about the lifestyles and value priorities of the new middle class, to deepen the understandings on the new middle class consumers in emerging markets.

1.4 Significance of the Study

There are two key knowledge contributions of this research. First, this research contributes on the insights about the values and lifestyles of new middle class in emerging markets. Instead of taking middle class consumers as a whole, this research divides Chinese middle class into several segments based on their lifestyle differences. The value of this study is to detect the intra-class differences in lifestyles and attitudes by proposing and empirically testing the typology of middle class consumers, to gain in-depth

understanding on the lifestyles of middle class in emerging markets. Second, the research applies advertising, value, and lifestyle theories in emerging markets to examine the generalizability of findings from earlier studies on western consumers, which gives a broader, more comprehensive view on four key concepts and their interrelationships. This research offers up-to-date knowledge about the new middle class in urban China, their lifestyle segments, dominant shared values, attitudes toward advertising, and the influences of advertising in shaping their lifestyles and consumption patterns. As a leading emerging market, China is outstanding among fast-developing emerging economies in the process of globalization. With up-to-date empirical findings, the study on the new middle class and their lifestyles, values, and attitudes toward advertising can be useful for understanding middle-class consumers in other emerging markets. The research findings can provide practical implications for marketers, advertisers, and designers.

1.5 Thesis Overview

The thesis is structured into ten chapters outlined in the next paragraphs. Chapter 1: Introduction. As a summary of the present chapter, these initial pages explain the research background, scope of the contribution, aims and objectives, significances of this research, and description and illustration of the thesis structure.

Chapter 2 first reviews the theories on the roles of advertising as persuasive communication and status symbols. A historical study on the development of the Chinese advertising industry after 1978 is conducted in this chapter. The changing roles of advertising in the digital age are also examined. Next, the researcher reviews the theories of values, lifestyle, and advertising, as well as proposes the meanings of value and lifestyle and their relationship with advertising. The third part of literature review focuses on the new Chinese middle class. The theoretical background and conceptual shift of the middle

class have been studied. The concept of lifestyle is used to define middle class in this research. The research gaps are identified based on three sections of literature review.

Chapter 3 first outlines the research questions based on research gaps identified after literature review, then explains the choices of research methods. Social survey and content analysis are selected as the main methods. The purposes, key features, and limitations of social survey and content analysis are examined. The third part is about research design and brief introduction of three studies.

Chapter 4 identifies frequently used values manifested in advertising. The findings allow for better understanding of the lifestyle and value disposition from the angle of advertising appeals. To identify the dominant values in advertising, a content analysis of print advertisements from nine of the most popular lifestyle magazines was conducted. The data, which include product category, product origin, and key value theme, are coded in quantitative forms to acquire the frequencies of value themes used in advertisements, as well as compare product category and origin with value themes in advertising.

Chapter 5 compares the lifestyles of the new urban middle class in four Tier-1 cities in China. It identifies six comprehensive lifestyle factors: trendy and success-driven, “Western is best,” petty bourgeoisie lifestyle, money conscious, lifestyle of health and sustainability, and pragmatic struggling lifestyle; and further segments new urban middle-class consumers into four groups: experiencers, strivers, trendy achievers, and pragmatists. The attitudes of four lifestyle segments towards advertising have been examined. The study provides an in-depth understanding of the growing middle-class consumers in the emerging market.

Chapter 6 first studies the shared values among the emerging Chinese middle

class and identifies three of the most important shared values among the Chinese middle class: sense of security, sense of accomplishment, and self-respect and well respected. The demographic differences of the Chinese middle class and the influences on value priorities are compared. The impact of dominant values on lifestyles and consumption attitudes is studied as well. Next, dominant values preferred in advertisements for the Chinese middle class have been investigated. The meanings of each value to Chinese middle class and why the values are attractive are explained. The demographic differences of the Chinese middle class on preferred values in advertising are compared. At the end of the chapter, the relationships among advertising, values, and lifestyles of the middle class in an emerging market are discussed based on three studies in the research.

Chapter 7 concludes with answers to research questions, the research knowledge contributions, implications for designers, advertisers, marketing, and branding.

Chapter 8 concludes with the limitations of the research and proposes four research directions for future research.

Chapter 2 Literature Review

Abstract

Chapter 2 first reviews the theories on the roles of advertising in the society. A historical study on the development of the Chinese advertising industry after 1978 is conducted. The changing roles of advertising in the digital age are also examined. Next, the researcher reviews the theories of values, lifestyle, and advertising, as well as proposes the meanings of value and lifestyle and their relationship with advertising. The third part of literature review focuses on the new Chinese middle class. The theoretical background and conceptual shift of the middle class have been studied. The concept of lifestyle is used to define middle class in this research. The research gaps are identified based on three sections of literature review.

Advertisements are selling us something else besides consumer goods: in providing us with a structure in which we, and those goods, are interchangeable, they are selling us ourselves.

Judith Williamson (2002)

2.1 Roles of Advertising in the Society

Organizations communicate with consumers to inform, persuade, and influence purchase decisions and to deliver positive brand images. Many types of promotional images are used to achieve such goals, including product packaging images, advertising images, direct mail, sales promotion images, point-of-purchase displays, sponsorships, and other event marketing public relations. Advertising plays an important role as a tool of persuasive communication between organizations and consumers. In the early 20th century, advertising was defined as “selling in print” (Starch, 1923). Over the years, the emergence of various media and communication channels, including newspapers, magazines, radio, television, and the Internet, has changed the ways in which advertisements communicate with consumers.

Richards (2002) collected several definitions of advertising from advertising and marketing textbooks to find the essential elements for constructing an improved definition of advertising. He identified five essential elements of traditional advertising: paid, nonpersonal, identifiable source, mass media and persuasion.

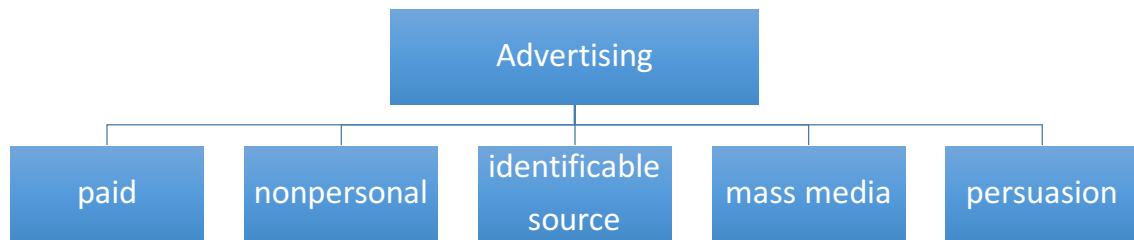


Figure 1 Five Essential Elements of Traditional Advertising

Source: Richards (2002)

After discussing the Delphi method with advertising experts, Richards (2002) proposed the following definition of “advertising”:

Advertising is a paid, mediated form of communication from an identifiable source, designed to persuade the receiver to take some action, now or in the future.

Persuasive communication is considered the key function of advertising. As a form of persuasive communication, advertisements work to inform, persuade, change opinions on products and lifestyles, and alter the attitudes and feelings of consumers.

Compared with traditional media involving one-way communication, digital media enable two-way communication between brands and audiences, thus facilitating interaction. The traditional communication model is linear, similar to the mode of communication reported by Weaver and Shannon (1963), which explains how the advertising industry traditionally operates. An advertising agency creates an advertisement, selects the proper channels through which to release the advertisement,

and presents the images to the audiences through various media platforms. Usually, no direct feedback is sent from audiences to advertising agencies; the success of advertisements is evaluated in terms of product sales.

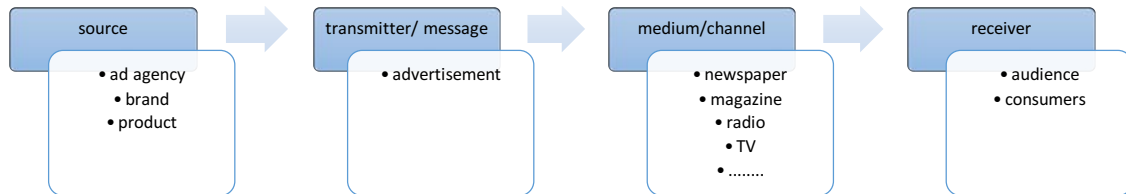


Figure 2 Traditional Communication Model

Source: Author's own composition, 2016

Mass communication technology has changed rapidly, and the linear communication model is inadequate to explain the complex state of media at present. Solomon (2009) proposed a new nonlinear, interactive, and multivocal model of communication in his book *Launch! Advertising and Promotion in Real Time*, based on real-time advertising practices. Three key points can be extracted from the interactive and multivocal model of communication. First, an advertisement has more channels through which it can reach target consumers—even consumers without an intermediary medium. Second, consumers can choose the advertisements to watch and avoid those they have no interest in. This optional viewing increases the effectiveness and persuasiveness of the advertisements and decreases the amount of noise in the communication process, because consumers are more likely to trust advertisements that they choose to watch. Third, consumers play an active role as information mediators in delivering advertising information to other consumers. This model extends “we media” to the entire advertising communication process. Consumers can generate images and upload them to blogs, microblogs, and social networks to contribute to brand building. Meanwhile, brands and advertisers can communicate with consumers and receive feedback directly through social networking sites. This model can fit well with interactive media and traditional media.

In *The Nature of Marketing*, Brymer (2009) described the power of social networking and explained its benefits for building brand experiences. He found that current marketing

targets are people with whom others want to share information, who act rapidly, and who are likely to collaborate within virtual communities. For example, a brief comment on Facebook or Amazon may affect many people. The impression on a certain brand or product can be reversed in a moment. In the past, brands told stories to consumers. Today, brands want consumers to tell these stories to others. Reaching consumers is no longer the primary goal; rather, the objective is to encourage sharing and participation (Brymer, 2009).

Advertising is not merely a marketing tool to promote sales but a cultural practice and an important part of popular culture. Williams (2000) used to say “advertising is magic” because it is designed to make us believe that we are not only buying one product. We can gain “social respect, discrimination, health, beauty, success, and power to control life” (Williams, 2000).

Advertisements are designed to satisfy the needs of people at all levels, as proposed in Maslow’s Hierarchy of Needs (Maslow, 1978). A good advertisement can evoke the desire of people and persuade them that they need a certain product. Functional advertisements can inform consumers of a product’s existence and benefits to satisfy their physiological needs. Conformity strategies are used to emphasize the need to feel safe in society. Emotional strategies, often working with storytelling, can well influence purchase decisions of potential consumers by satisfying the need for love and belonging. Esteem and self-actualization are spiritual pursuits of an individual. Advertising assigns symbolic value to a product and transfers it to users to satisfy the need for esteem and self-actualization. Advertisers manipulate many epicurean templates to attract consumers, including happiness, beauty, success, status, dream, youth, luxury, and fashion. They make consumers believe that they can be the ideal person they want to be by consuming certain products. Advertisers know about our desires and the value system. Numerous advertisements emphasize the symbolic meaning of a product, emotional value, and self-actualization of consumers instead of the utilitarian value of the product. A brand is established as a sign system consisting of meanings to involve consumers in symbolic

consumption and fulfill their needs (Oswald, 2012). Brands create symbolic meanings, culture, and personality based on the consideration of the needs of target consumers. Brand consumption overcomes physiological satisfaction by offering spiritual satisfaction to people. Brands become the symbols of personal identity and social status. The changing roles of advertising indicate the importance of advertising in influencing the values and lifestyles of consumers in the society. Persuading consumers to purchase may be the surface-level purpose of advertising. Long-term immersions in pervasive advertisements will subtly change the lifestyles, dominant values, and aesthetic taste of people, and finally shape the dominant values in society.

2.2 The development of advertising in Post-reform China

2.2.1 Historical Study: Development of the Advertising Industry in Post-Reform China

Although its economy and society have developed significantly within the last 30 years, China is still recognized as the largest untapped consumer and advertiser market in the world (Hung, Tse and Cheng, 2012). Compared to the slow development of social transformation in Western societies, China's unique situation reveals that its social structure transferred from one form to another during a very short time (Chen, 2011). The Chinese advertising industry has been developing under such a unique context of economic reform and social transformation.

The transitional advertising industry has been undergoing numerous changes in social ideology, globalization, cultural value transformation, and lifestyle and attitudes of consumers (Hung, Tse and Cheng, 2012). A review of research on advertising history can help scholars and practitioners understand the prevailing trends and reflect on developmental issues in the discipline (Yale and Gilly, 1988).

A clear division of advertising history is important in understanding social transformation. Many studies have been conducted in dividing the development periods of the advertising industry (e.g., Yu and Deng, 1999; Liu, 2000; Chen, 2002; Kou, 2003; Huang, 2003; Liu, 2004; Fan, 2004; Zhao, 2005; Yang, 2006; Huang, Ding and Liu, 2006; Chen, 2009; Chen,

2011). Chen (2002) and Ding and Liu (2006) studied advertising history after 1949 and divided this history into five periods: from 1949 to 1952, the national economy recovery period; from 1953 to 1956, the socialist transformation period; from 1957 to 1965, the post-socialist transformation period; from 1966 to 1978, the Cultural Revolution period; and after 1978, the new age period. Other researchers mainly focused on the new age advertising industry after 1979. Yu and Deng (1999) investigated the history of contemporary advertising between 1979 and 1996 and divided this history into three periods: from 1979 to 1985, the renaissance and recovery of the advertising industry; from 1986 to 1992, the exploration of modern advertising; and from 1992 to 1996, the development of modern advertising. Chen (2012) improved Yu and Deng's division criterion and extended the classification to four periods: from 1992 to 1998, the rational development of modern advertising, and from 1999 to present, the globalization of Chinese advertising. Chen's division criterion is based on social transformation and carefully considers the economy, ideology, cultural value changes, and consumer consciousness. Therefore, her division of advertising history is adopted in this research.

1978–1985: Renaissance of the Advertising Industry

Before 1979, advertising was considered a key totem of an advanced capitalist culture and criticized in China's "cultural revolution." The "reform and opening" policy implemented by the central government reintroduced commercial advertising in 1979. To remove the negative reputation of advertising, Ding (1979) wrote an editorial in *Shanghai Wenhui Daily* defending the legitimacy of advertising and supporting its use in a socialist way as an effective tool for promoting economic development. This editorial is considered an announcement of the beginning of advertising renaissance. The first advertisement of "Lantian" toothpaste was published in *Tianjin Daily* in January 04, 1979. This advertisement represents the renaissance of the advertising industry.



Figure 3 “Lantian” Toothpaste Advertisement. *Tianjin Daily*, January 04, 1979

Source: Yu and Deng (1999)

Other advertisements followed quickly in Beijing, Shanghai, and Guangzhou. Along with the increasing number of advertisements in newspapers and television, the government and advertising practitioners also increased their efforts to explain to the public the differences between capitalist and socialist advertising, as well as the advantages of advertising (Stross, 1990). The central government supports advertising for its functions of linking manufacturers and consumers, bringing in foreign exchange, and transmitting economic information about surpluses and shortages to those who may need it, which could eliminate waste (Stross, 1990). In fact, along with the transformation of the planning economy into a market economy, the Chinese advertising industry likewise played an important role in promoting the economy and Chinese modernization.

During this period, advertising first appeared in newspapers and magazines, and then in television and radio media. Subway advertisements appeared in Beijing in 1982. The patterns of advertising were not only limited to product introduction but also inserted in TV programs and sports activities. The first cartoon with an inserted advertisement was “Astro Boy,” which was broadcasted by the country’s official TV station, China Central Television (CCTV). The inserted advertisement was for the Japanese brand “Casio.” Foreign advertisements then started to appear in all kinds of communication channels.



Figure 4 Astro Boys with Casio Advertisement

Source: <http://ybhzglr.adquan.com/post-13-2686.html>

In the beginning, the design patterns and styles followed the traditional advertising design from 1949 and were mainly focused on informing consumers of a product's existence and benefits. In 1980, many of the products advertised in newspapers and magazines were industrial equipment and materials. The discourse of advertising was still influenced by political ideology. In addition to products and machines for factory use, advertisements oriented toward individual consumption were also recognizable, such as food, beverage, electronic appliances, and "old four must-haves." Outdoor advertisements became enjoyable views of cityscape. TV commercials were considered entertainment because TV programs were limited and boring.

1986–1991: Exploration of Modern Advertising

From the mid-1980s to the 1990s, the Chinese economy presented a strong development momentum. Meanwhile, the advertising industry led a prosperous growth that drove media development. After 1985, with the prosperous development of the light industry, advertisements for domestic appliance products increased dramatically and rapidly replaced the dominant status of advertisements for heavy machinery products (Yu and

Deng, 1999). More and more foreign products entered the Chinese market. Every day, consumer goods were in fierce market competition. Manufacturers turned to advertisers to promote their products. The main family consumption shifted from survival needs, such as food and clothes, to durable domestic appliances, including televisions, refrigerators, washing machines, and sound recorders, which were called the “four must-haves” for rich families (Yu and Deng, 1999). After years of absence or supply shortage, durable goods of various brands, materials, styles, and functions appeared in stores, providing rich people with a wide range of options. Diverse consumer groups formed to express various consumer behaviors.

In this period, the concepts of modern advertising design and branding were brought to China. The advertising industry was becoming more self-confident (Stross, 1990). After Ogilvy & Mather established the first Sino–foreign joint venture agency in China, other multinational advertising agencies followed to enter the Chinese market (Chang, Wan and Qu, 2003). Various types of advertising were shown to Chinese consumers, receiving both praise and criticism. Their influx accelerated the evolution of modern advertising in China. Scholars and practitioners proposed the importance of “marketing” and consumer research. They advocated “consumer-centered” advertising, which was contrary to the traditional advertising centered on manufacturers (Fu, 1982; Fang, 1983; Yin and Wang, 1984; Yu and Deng, 1999). Pioneers in the industry started to explore new skills to design advertisement from the consumer perspective. Compared with informative advertisements for manufacturers, advertising campaigns for consumers focused on planning and creativity and aimed to communicate affection to consumers, as well as persuade them with scientific and creative strategies (Chen, 1987). An increasing number of scholars in the mass communication and advertising fields started to pay attention to creative advertising design, advertising planning, and consumer psychology research (Chen, 1991; Yuan, 1992, Huai and Zhong, 1988). Some researchers and practitioners acknowledged advertising as scientific and artistic (Yu and Deng, 1999).

This point was the beginning of consumer lifestyle research. Advertisers realized the function of advertising in guiding and shaping new lifestyles, and thus attempted to understand the lifestyle and psychology of targeted consumers (Yu and Deng, 1999). Xiong and Yu (1993) studied the cultural mentality of Chinese consumers and proposed five typical mentalities of consumption: authority worship, conformity, favor comes first, prefer reasonably priced goods, and egalitarianism. These psychological characteristics were used in advertising design by pioneers. Gender difference, social stratification, and market segmentation were also considered in making effective promotion strategies. Consumer lifestyle research helps advertisers persuade target customers in the right way to resonate with the audience.

At the beginning of the 1990s, images of an ideal lifestyle and appeals for individuality were adopted frequently to attract audiences and arouse their possessive desire (Yu and Deng, 1999). The most desirable lifestyle during this period was perceived to be modern and Western (Croll, 2006). As television quickly became popular, watching TV commercials was accepted as a part of modern lifestyle, receiving warm welcome from audiences. Advertising no longer appeared only before and after programs. Featured programs introducing fashion, beauty, music, and home decoration started to broadcast, thereby guiding mass consumption. Young people at that time discarded uniformity and drabness and started to wear fashionable clothes to express their identities. Jeans, pop music, break dancing, and rock bands grew in popularity and were adopted as symbols to show distinction and attitude. An interview with a young Chinese student explains the fashion of blue jeans. This student believed that jeans are the symbol of new fashion; they make him feel confident, similar to the cowboys of America. The student felt like an individual completely different from people who wore the same Mao suit in the old days (Rice, 1992). Numerous cosmetic advertisements also encouraged women to pursue beauty and express feminine charm. Discourses such as “become a real woman” hinted that women should abandon the old images of Iron Girls in the Cultural Revolution who dressed in androgynous blue garb without female identity and reacquire their feminine

beauty and self-confidence (Croll, 2006). Domestic cosmetic brands and international brands, such as Avon, dramatically changed the lifestyle of urban women. In 1988, fashion magazine “ELLE” was published in China and began teaching young female readers how to be beautiful, stylish, and fashionable (Croll, 2006). Some advertisements used Western actors to exude an elegant, modern, rich, and romantic lifestyle in European- or American-style settings. Western middle-class lifestyle was so novel, interesting, desirable, and fascinating for most Chinese during this period. They chose to possess the products that Westerners have to acquire the lifestyle depicted in the advertisements.

1992–1998: Rational Development of the Advertising Industry

In 1992, Deng Xiaoping, the reformist leader of China, visited southern China and delivered various speeches about economic reform and institutional innovation, which accelerated the development of the economy (Lu, 1993). The advertising industry entered its most prosperous period. Meanwhile, the concepts of scientific advertising and advertising education were introduced. The relations among product, brand, advertising, and marketing became clear. The situation of short supply was changed to surplus supply and, at the same time, mass consumption became weak.

In this period, branding became crucial in stimulating consumption needs. Advertising was used to distinguish certain products from similar products and connect brand value with a consumer’s individual identity. Instead of hard selling, advertising started to create desires and cultivate lifestyles for specific social groups. As Pan (1996) observed, Chinese advertising influences mass culture and cultivates the lifestyle of the public in a unique way.

Economic patterns transformed into a “brand-oriented economy” during this period. Advertising research mainly focused on theories of brand image, corporate identity system (CIS), consumer behavior, and cultural value transformation (Yu and Deng, 1999). The advertising industry showed huge interest and enthusiasm in CIS. It preferred Japanese CIS at the theoretical level and American CIS at the practical level (Yu and

Deng, 1999). CIS emphasizes the distinctive culture and philosophy of a corporation, allowing audiences to identify with a brand and develop a sense of belonging with the brand (Balmer and Grey, 2000). CIS transforms a single advertisement design into a whole system of brand image establishment, including design and strategies. Peverelli (2006) defined CIS as a result of social interaction and suggests four characteristics for a successful CIS: differentiation, relevance, coherence, and reputation. The implementation of CIS in the advertising industry resulted in the success of brand marketing. In this period, researchers began to reflect and criticize the negative influence of advertising from a sociocultural perspective, and proposed the social responsibility that advertisers should adopt (Lu, 1995, Li, 1996; Zhang, 1996). Some researchers realized that the propositions of consumerism and advertising ethics troubling Western society were causing problems for the Chinese advertising industry as well (Zhang, 1996).

As Williamson (2002) pointed out, advertising sets up the connections between certain types of consumers and certain goods and creates symbols for exchange value. She had a very interesting viewpoint: “Advertising is selling us ourselves.” During the brand economy age, products are not sold as single functional objects but as part of a lifestyle series. An increasing number of portraits about the ideal middle-class lifestyle appeared in mass media, shaping the lifestyle of Chinese consumers.

At the beginning of the 1990s, many TV commercials were about Western and Japanese products. These advertisements satisfied the curiosity of Chinese customers and offered them visual patterns of a modern lifestyle. Advertising in the 1990s started to establish symbolic meanings for brands, connecting brand values with the cultural values of consumers to stimulate consumption (Chen, 2011). Advertisements at that time guided daily consumption and shaped the value system of the Chinese. Chinese consumers used to consider the consumption of Coca-Cola, instant noodles, KFC, and McDonalds as fashionable lifestyles. Pagers, cell phones, and private cars were the symbols of a successful man. These different lifestyle patterns were shaped by advertisements. New

Weekly, the so-called sharpest event and lifestyle periodical in China, published a special issue on advertising. It summarized some trends brought about by advertising, including new woman, to be cool, Internet love, Western fast food, cellphones, foreign wines and losing weight (New Weekly, 1999). In the mid-1990s, some scholars started to reflect on and criticize the blind worship of Western lifestyle, suggesting that the advertising industry should return to the Chinese culture. Some advertisements used Chinese traditional culture to reflect cultural taste. Those advertisements were warmly welcomed by the public. International brands also used localized strategies to resonate with Chinese consumers. Patriotism was emphasized by advertisers in the late 1990s. Numerous popular slogans expressed patriotic feelings. Meanwhile, traditional cultural values of family, love, and responsibility were adopted frequently in advertisements.

1999–2005: Globalization of the Chinese Advertising Industry

At the end of the 1990s, the Chinese advertising industry increasingly participated in global competitions. Globalization, demutualization, and professionalization became the leading trends in the industry (Chen, 2011). After China joined the World Trade Organization (WTO), its advertising industry underwent great changes in its laws, regulations, cooperation, and competition with foreign-invested advertising companies. To train advertising professionals and prepare the advertising industry in dealing with the challenges of the WTO, the first advertising college opened in Beijing in 2000 (Liu, 2004). Various advertising competitions including new media and Internet advertising were held, encouraging and rewarding the creativity and the international orientation of local talents. The joint transnational media groups hastened the development of the domestic media (Chen, 2011). Restrictions on advertising contents and on foreign advertising agencies about independently running companies were loosened after China entered the WTO (Hu, 2003). Multinational advertising agencies replaced local ones and became top-ranking agencies because many multinational corporations preferred to cooperate with them for global advertising strategies. In 2013, the top five creative advertising agencies in China according to new business bills were Ogilvy & Mather,

McCann, Saatchi and Saatchi Great Wall, J. Walter Thompson, and Leo Burnett (China Advertising, 2014). Owing to the success of multinational agencies, whether globalization or localization strategies are used became a popular debate in the advertising industry and the academic field. Numerous researchers have realized that global standards should meet local market needs to maximize the effects of advertising (Hung, Tse and Cheng, 2012). The advertising industry in China faced a unique context of economy, ideology, culture, and value system after China entered the WTO, which brought opportunities and challenges to ad practitioners. During this period, consumers had increased options in multinational brands because tariffs were reduced. Consumption patterns transformed from subsistence to enjoyment.

2005–present: Digitalization of the Chinese Advertising Industry

Emerging new media changed the way advertisements were created, disseminated, and perceived. In manufacturing-centered economies, advertising is mainly used to remind the public about the existence and functions of commodities. In brand-oriented economies, advertising is used to disseminate brand image and reputation to compete with similar products of other brands (Van Waart, Mulder and de Bont, 2011). In entering a network society where everyone is connected and surrounded by too much information, brand-oriented propaganda is no longer enough to attract consumers' attention. The traditional massive distribution of advertisements constantly floods users with rarely interesting commercial offers. The excess of irrelevant ads leads to disaffection toward the advertised product. The price of products is considered a less important factor for the elite and the middle class because they want more features than functions (Pine and Gilmore, 1999). Even the symbolic meaning of brands can no longer satisfy cultivated consumers. Goods and services are external factors to consumers, whereas experience is personal, unique, interactive, and positive. Consumers can participate in brand activities on the physical, emotional, intelligent, and even spiritual levels (Pine and Gilmore, 1999).

Digital advertising changes the relationship between brand and consumer. In the past, we

delivered brand stories and product information to persuade consumers to buy. Today, we appeal to consumers to share brand information. Sharing and participating in brand promotion have become two of the most important purposes of digital advertising. As consumer behavior continues to change in the digital era, the definition of advertising must be revised to adapt to the digital media environment (Truong, McColl and Kitchen, 2010).

Owing to digital technology, many small creative teams in China can defeat international 4A agencies employed by big-time clients, such as Coca-Cola. The market has been developing from divergent to monopolistic and is now turning into fierce competition in the free market. Small Internet agencies also have opportunities.

2.2.2 Changing Roles of Advertising in the Digital Age

Pine and Gilmore (1999) depicted the process of business model transformation as agrarian, industrial, service, and experience economy. Experience is the result of the participation and interaction among people, objects, and environments. The experience economy offers consumers special interaction and creates memories for people. In the experience economy, consumption is not only performed to purchase a product but to consume physical, emotional, and even spiritual experiences. Brand and Rocchi (2011) pushed this idea further by proposing four economic paradigms: industrial economy, experience economy, knowledge economy, and transformation economy. Basing on these four paradigms, Gardien, et al. (2014) described the characteristics and developed the design strategies of each economic paradigm in eight aspects: value proposition, end-user benefit, cause of decline, people research objective, people research methods, aesthetics, innovative integration, and brand.

The paradigm shift of the economy inspires us to rethink the challenges of changing social and economic environments. Advertising plays diverse roles in each economy. The industrial economy is manufacturer-centered, using rational problem-solving methods to produce and promote products to satisfy the functional needs of consumers. Advertisements are used to push products to the market by informing consumers of their

existence and benefits. In the experience economy, similar products are in fierce competition to acquire the attention of consumers. To gain increased attention, brands start by segmenting the market and offering special experiences to certain target groups. Advertisements are used to express the meanings and symbolic values of brands, connect brand values with consumers, and thus differentiate the advertised brand from other brands with similar products and services. To distribute relevant advertisements to targeted potential consumers, brands must resonate with them on context, habits, interests, and taste. People interpret meanings on the basis of their values and beliefs. In the experience economy, brands attempt to provide meaningful experiences to people. Advertisements must be precisely positioned based on cultural backgrounds, personal value systems, consumption behaviors, brand preferences, identities, and lifestyles to connect with consumers. In this period, cultures and values are drivers of economic value. Information technologies accelerate the paradigm shift and force us to change.

The advertising ecosystem has evolved with the rapid development of information technologies and the changing media landscape. Emerging digital media change the way advertisements are created, disseminated, and perceived, brands interact with their consumers (Truong, McColl and Kitchen, 2010). Advertising is turning out to be an experience provider in the digital age. Consumers are expected to acquire meaningful and memorable experiences from brands (Van Waart, Mulder and de Bont, 2011). Network technology with big data system enables advertisers to deliver contextually relevant advertising to certain users (Van Waart, Mulder and de Bont, 2011). Precise positioning advertisements based on big data on consumers' cultural background, personal value system, consumption behavior, brand preference, identity, and lifestyle can well resonate with consumers. A big data system has the power to predict behavior according to personal online records (Rainie and Wellman, 2012). Great opportunities are offered to advertisers and marketers hoping to understand users' lifestyles so they can successfully persuade potential customers to purchase. The interaction of consumers with a brand, the level of experience they gain, and their capacity to appreciate can be the distinction

among different consumer groups and social classes.

“Big data” refers to a large data set that is excessively complex such that standard statistical software cannot handle it (Snijders, Matzat and Reips, 2012). Beyer and Laney from Gartner, Inc. define big data as having three characteristics: high volume, high velocity, and high variety (Beyer and Laney, 2012). The core value in a big data system is not the volume but the processing and analysis of the data. A big data system allows advertisers and marketers to collect authentic and detailed information from users. Individuals and organizations can benefit from big data systems. High-level customized information is delivered to individuals based on their searching and browsing records, which could save them time and effort. For advertisers, effective data can help them find target consumers and place advertisements directly to them, saving them a great amount of budget and enhancing effectiveness.

In the digital age, understanding users is the primary mission for advertising practitioners. Digitalization is the trend of future lifestyle and advertising ecosystem. The way consumers acquire information, the pattern of consumption, and the way they interact with a brand are changed dramatically. With ubiquitous computing technology, marketers can learn many things about an individual. Meanwhile, arousing users’ attention in an information-overloaded environment is becoming difficult. The role of advertising changes in an experience economy, from information deliverer to experience provider. To provide a positive brand experience to relevant consumers, advertising practitioners must know their consumers well. Consumer insights on more detailed market segments are needed.

Advertising development can reflect the changes of Chinese consumer culture and lifestyle. People in different historical periods enjoy different lifestyles and consumption patterns. Their attitudes to advertisements are different. Reviewing the history of the advertising industry in China helps researchers and advertisers better understand the prevailing trends and developmental issues in emerging markets. After 30 years of rapid development, the advertising industry in China has gone through significant changes

from industrialization to digitalization, a process quite different from the gradual development in developed markets. Since the influences of advertising on consumer values and lifestyles are continuously changing, an updated investigation is needed. This advertising research in emerging markets will be helpful for strategy makers in multinational corporations and researchers in cross-cultural communication.

2.3 Values, Lifestyles and Advertising in the Society

2.3.1 Value and Advertising

Values develop from life experience (Kahle, 2013). Values serve as guiding principles in everyday life (Rokeach, 1973). Rokeach (1973) defines values as follows:

Enduring beliefs that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state.

Values are preferred states of being. Some values are ranked in priority compared with other values. Value ranking varies in different cultures and societies. Advertising plays an important role in guiding mainstream values through its pervasive influence. Advertising both protects long-established values and facilitates changes in guiding new value trends (Pollay, 1983).

Values are essential in understanding consumers because of its influences on consumer interests and behavior (Clawson and Vinson, 1978; Pitts and Woodside, 1983; Kahle and Kennedy, 1989; Schwartz, 1994; Davidov et al., 2008; Jansson et al., 2011; Hansen, Risborg and Steen, 2012). Values offer an opportunity to differentiate brands by going beyond product functions and offering symbolic meanings (de Mooij, 2010).

Advertising is full of our life, ubiquitous, inevitable, and inescapable. Whether explicit or implicit, all the advertisements carry values. Cultural value communicated through advertising messages is considered a powerful force in shaping the motivations, lifestyles, and product choices of consumers (Tse et al., 1989; Hansen, Risborg and Steen, 2012). We are influenced subtly by the meanings advertisers create in advertisements. In turn,

our value priorities can affect the strategies of advertising design and branding.

Pollay (1983) proposed that advertisers intentionally emphasize some values over other values for profit. Advertising messages are created by people with a specific cultural background. The audiences use their cultural values and knowledge to decode the advertising message. This decoding process is known as selective perception, which means the audiences best understand and resonate with the messages that fit existing schemata (de Mooij, 2010). Understanding the cultural contexts of advertising messages is very important. A successful advertisement should convey hidden desires and encourage a resonance with potential consumers.

Advertising helps consumers fulfill their values. Values in advertisements may imbue audiences with positive affection. For example, if an automobile advertisement relates a car to the value of family affection, then people who value family as the most important aspect in their lives would be touched by this advertisement, especially when they want a car for family use. Similarly, if an automobile advertisement shows a successful man driving a luxurious car, then audiences who pursue achievements and self-accomplishment would be attracted by this advertisement. Tying an appropriate value to a specific product or service is helpful for audiences to resonate with the product or service and remember it and the brand (Kahle and Kennedy, 1989).

Three key value theories are further studied as the theoretical basis of the research: Kahle and Goff Timmer's List of Value (1983), Hofstede's five dimensions of national culture (1984) and Schwartz's theory of basic values (1992).

Kahle and Goff Timmer (1983) proposed the List of Value (LOV for abbreviation) as a value measurement instrument. The LOV instrument is frequently used in consumer research; it includes nine values, namely, sense of security, sense of accomplishment, self-respect, well respected, sense of belonging, self-fulfillment, enjoyment, warm relationship, and excitement (Kahle and Timmer, 1983). Several cross-cultural studies use the LOV instrument to rank the importance of values. Results indicate that differences exist in value rankings among different countries. According to Kahle and

Kennedy (1989), Americans take self-respect, security, and warm relationship as the three most important values. Grunert, Grunert, and Beatty (1989) compared values in the United States, Denmark, and Germany, and reported that Danish people rated enjoyment higher than Americans and Germans. Kahle's LOV approach has been adopted as appropriate theoretical framework to measure personal values in many studies, because its values relate more to individuals and easier for common people to understand (Marchand and Khallaayoune, 2010).

Hofstede's five dimensions of national culture (1984) include power distance, individualism/ collectivism, masculinity/ femininity, uncertainty avoidance, long-/short-term orientation, which are good at measure values in diverse cultural contexts (Hsu, Woodside and Marshall, 2013). Power distance measures the inequality of power distribution perceived by less powerful members in the society. It influences people's attitudes to authority (De Mooij, 2010). In large power distance cultures, people accept diverse social positions and power inequality as natural in hierarchical system (De Mooij, 2010). One's social status is important in large power distance cultures. Individualism/ collectivism can explain many cross-cultural differences in value priorities. Individualism can be defined as "people looking after themselves and their immediate family only" ; collectivism is defined as "people belonging to in-groups that look after them in exchange for loyalty" (De Mooij, 2013). In individualistic cultures, people care about "I". For them, enjoyment and self-actualization is more important, and keeping good relationship with others is less important. In collectivistic cultures, social network and social status are important, since people care about their identity and positions in group. They are "we" conscious (De Mooij, 2013). People in individualistic culture want independence and adventure, while people in collectivistic cultures want harmony and warm relationship (De Mooij, 2013). Masculinity/ femininity can explain the degree of dominance of masculine values or feminine values in the society (Hsu, Woodside and Marshall, 2013). In masculine society, the dominant values are accomplishment and success, and people want to be "strong". In feminine culture, care

and affection are important and people want to be “empathic” (De Mooij, 2013). Uncertainty avoidance measures the attitudes of people to uncertainty and ambiguity. In high the cultures with high scores on uncertainty avoidance, people feel uncomfortable and threatened to uncertainty and try to avoid it by making rules (Hsu, Woodside and Marshall, 2013). The dimension of long-/short-term orientation was not proposed in the original value theory by Hofstede in 1980, instead, it was discovered later in cooperation with Michael Bond in the study on Confucius culture in Asia cultures (Hofstede and Bond, 1988). Long-term orientation leads to perseverance, pragmatism, thrift for future. Short-term orientation leads to the attitude that “spending today is more important than saving for tomorrow” (Hofstede and Hofstede, 2001). Hofstede’s dimensions are frequently used in explaining cross cultural differences in consumer value and behavior. Schwartz (1992) developed the Schwartz Theory of Basic Values, identifying ten basic values shared universally. These ten basic values are: self-direction, stimulation, hedonism, achievement, power, security, conformity, tradition, benevolence, and universalism. These values are organized as value system with three dimensions: autonomy versus embeddedness, hierarchy versus egalitarianism, mastery versus harmony (Schwartz et al., 2012). Ten universal values are classified into four motivational directions: self-enhancement, openness to change, conservation and self-transcendence (Schwartz, 2012). Self-enhancement refers to pursuit of personal success and interests, including the values of achievement and power (Schwartz, 2012). Openness to change emphasizes independent actions, such as enjoyment, self-respect, excitement or self-fulfillment (Schwartz, 2012). The motivational direction of openness to change includes the values of self-direction, hedonism and stimulation (Schwartz, 2012). Conservation emphasizes self-restriction, stick to reach social expectations, reluctant to break social norms and resistance to change, encompassing the values of tradition, conformity and security (Schwartz, 2012). Self-transcendence emphasizes caring about in-group welfare and the welfare of all people and for nature, which includes the values of benevolence and universalism (Schwartz, 2012). The motivational directions of

self-enhancement and openness to change are personal focus, while the directions of conservation and self-transcendence are social focus (Schwartz, 2012). The values belonging to the motivational directions of self enhancement and conservation are anxiety-based values focusing on self-protection against threat, while the values belonging to the motivational directions of self enhancement and conservation are anxiety-free values focusing on self-expansion and growth (Schwartz, 2012).

Although Hofstede's cultural value theory is culture-oriented and Schwartz's theory is individual-oriented, they share many similar concepts (De Mooij, 2013). Autonomy versus embeddedness is partly overlapped with the cultural dimension of individualism/collectivism; hierarchy is similar to the cultural dimension of power distance. The category of mastery is correlated with the cultural dimension of masculinity.

People in different cultures show different value priorities that cause diversity in preference of value, lifestyles and consumption behavior. The three value theories can be applied in the research as instruments for measuring values and theoretical basis for explaining value priorities in Chinese culture.

2.3.2 Lifestyle and Value

The concept of "lifestyle" is very prominently used in modern consumer research (Vyncke, 2002). It is defined as a distinctive mode of living that objectifies the patterns derived from the dynamics of living in a society (Lazer, 1963). Lifestyle is about how people spend their money and time (Vyncke, 2002). It brings aesthetic experience and enjoyment and indicates individuality, self-expression, stylistic self-consciousness and social status (Featherstone, 1987). The body, clothing, style of conversation, leisure time arrangement, holiday activities, dietary preferences, home decoration, and car selection, among other aspects are regarded as indicators of taste, style, and personality of owners and consumers (Featherstone, 2007). Lifestyle constructs the living world of modern consumer culture. It is the way of living that people show in a consumer society.

Lifestyle is described as the shared values reflected in consumption patterns (de Mooij, 2010). The values individual fulfill will lead them to different life roles (Kahle, 2013).

The lifestyles of individuals are formed with multiple factors, of which cultural differences, personal motivation, and social influences are key factors. Shared values are group phenomena. One's lifestyles and shared values are the results of group influences (Berkman and Gilson, 1974). People in the same lifestyle segments are likely to share similar sets of values. As shared values are reflected in consumption patterns, lifestyles are culture-specific, requiring careful examination before being applied to other cultures. Cultural differences, personal motivation, and social influences lead to various lifestyles. Lifestyle analysis usually measures values and attitudes, exploring the relationships between the values and attitudes of lifestyle groups and their consumption behavior. Psychographics, which combines psychology and demographics, is used to study consumer personality, lifestyles, and values. Consumer psychographics can be used for market segmentation to understand and predict one's lifestyles and consumption patterns with high accuracy (Berkman and Gilson, 1974). The most well-known consumer research about lifestyles and values is the Value and Lifestyle Survey (VALS) typology of American lifestyle groups (Mitchell, 1983). VALS was first proposed by the Stanford Research Institute (SRI) in the 1970s, when marketing people found that demographic segmentation was not enough to understand the market and consumers. The questions in VALS covered the categories of demographics, attitude, activity, interest, and opinion in an attempt to depict the portrait of target consumers, understand consumer behavior in depth, and predict consumer preference. The VALS U.S. model divided adult American consumers into nine lifestyle types: achievers, experiential, sustainers, I-am-me, survivors, belongers, emulators, societally conscious, and integrated. The model was criticized by various researchers and marketing people for its weakness in countries outside the US and in predicting the purchase behavior of consumers during the 1980s. To solve these problems, SRI further revised the model and developed the VALS2 model in 1989 (Winters, 1989). VALS2 places less emphasizes on values and interests and more on product use. It reduces the categories of American consumers into eight types. According to VALS2, people belonging to certain categories show similar consumption

patterns and lifestyles.

However, the model cannot be applied directly to oriental countries because of the major differences in cultures, value systems, and lifestyles. Therefore, Strategic Business Insight (SBI) (2014) proposed the China VALS framework based on its investigation of 62 areas in China, covering major geographic regions. According to SBI, this model is applicable to 516 million people. The China VALS framework divides Chinese consumers into nine categories under three categories of motivations: accomplished, pacesetters, preservers, sustainers, traditional achievers, trendy achievers, provincials, experiencers, and adapters. Because of unequal resource distribution, these categories belong to different social classes.

According to the explanation by Strategic Business Insight, preservers keep the balance between “ambition, money, and desire for power in society”. Sustainers are “loyal to a traditional way of life, even though in aspects of their daily life, they may look like other groups that are not traditional” (Strategic Business Insight, 2014). The primary motivation of preservers and sustainers is tradition. Accomplisheds pursue “strategic advantages to improve their position in society” (Strategic Business Insight, 2014). Pacesetters desire to be “recognized by peers and to be seen as having a role or social position” (Strategic Business Insight, 2014). Traditional Achievers pursue socially recognized success but feel insecure about how and whether to do so. Trendy Achievers have the strongest ambition to be recognized as successful. Experiencers pursue personal development and look for new ways to experience and enjoy life. Adapters are similar to Experiencers but have weak drive for personal exploration (Strategic Business Insight, 2014). Provincials are usually living in less developed areas, who consider children and being strong financial support for family are important aspects of success (Strategic Business Insight, 2014). However, very limited reference can be found about the generation of the China VALS model. Moreover, the China VALS framework has not been tested extensively in academic research.

2.3.3 Advertising and Lifestyles

Advertising is an important cultural factor shaping our lifestyles and the society today (Featherstone, 2007). Advertising is considered as a powerful means in building and influencing consumer imagination of “good life” (Schroeder and Borgerson, 1998). Advertisements attempt to create “good life” images, helping products link with social, cultural, and psychological needs to evoke desires to emulate the life depicted in advertising images (Belk and Pollay, 1985; Bock, 1993). In consumer society, a good life relates to material comforts and luxuries. Advertising promotes “good life” to legitimate consumption as the primary value and popular way of living (Belk and Pollay, 1985). Because of advertising promotions, material comforts and hedonism thus acceptable and desirable. Rather than reflecting real lifestyles in the society, advertising usually show ideal way of life which is criticized as “distorted” (Belk and Pollay, 1985), since advertising reflects only selected attitudes, values and lifestyles that work for commercial interests. Through intensive exposure to certain themes and lifestyles in advertising, consumers are continuously immersed in the ideological system designed by advertisers, unconsciously influenced (Hirschman and Thompson, 1997).

Advertising is a good vehicle for tapping into the desires of potential consumers and guiding their consumption behavior via idealized lifestyles (Englis and Solomon, 1995). Consumption is not only an economic behavior. Its social meaning is also important because it is connected with social status and self-identities. Consumer behaviors are determined by cultural backgrounds, purchasing power, and life patterns (Li, 2000). Consumption is based increasingly on desires, which are aroused by signs and symbols used in advertising, to convince consumers to acquire certain social status and personalities through consuming goods. In their work *The World of Goods*, Douglas and Isherwood (1996) proposed that consumption is the main battlefield for defending culture, and the main function of consumption is to produce symbolic meanings. Symbols are used to give meaning to social actions to influence the manner in which an individual evaluates self-identity in the society. McCracken (1986) proposed the model of meaning

movement to describe meaning flow in a culturally constituted world and the role of advertising in transferring meanings. Advertising is used to extract the meaning from a culturally constituted world and assign value to consumer goods. Advertising designers use visual images and verbal contents to establish the conjunction of cultural world, consumer goods and lifestyles. The meaning transferring process cannot be fulfilled unless target consumers can decode and understand the symbolic meanings with their cultural and lifestyle knowledge.

The design of advertisements can lead the styles and preferences of mass consumption during a certain period. Campbell (2011) called advertisers cultural mediators, whose work is to encourage consumption in material and cultural processes. They have strong influences on shaping lifestyles. In the consumption mechanism, marketers design, price, distribute, and advertise products or services in the markets. In turn, consumers use these products to create identities and lifestyles through their consumption practices (Sivulka, 2012). For Schroeder and Borgerson (1998), advertising plays an important role in production and reproduction of personal identities, rather than merely reflecting them.

Consumer goods are no longer just products because they carry and communicate cultural meanings. Advertising is similar to poetry because of its symbolic, imaginative, and rhetoric characters (Hayakawa, 1946). Advertisers often appeal to us to put ourselves in a new role depicted in the advertisements other than our own. This new role is usually pleasant, smart, and close to our ideal self-images. Hayakawa (1946) defined advertising as “venal poetry” with verbal magic; it is created and manipulated by advertisers and copywriters and penetrates into our everyday life through pervasive mass media. Advertising poeticizes consumer goods, making them symbols of ideal lifestyles and preferred values.

Advertising plays the role of mentor in teaching people ways to live a decent life in society. Most people want to live in society safely, dress up properly, and use the objects that accord with their social status. The books they read, music they listen to, and leisure activities they participate in must accord with their self-identity. Who makes these rules?

These rules must be credited to key opinion leaders, celebrities, and the power of mass media. Imitating and following key opinion leaders at least make us safe in the group. One can find the most suitable product among numerous products in the same category because advertising has already told us that this product matches one's personality and lifestyle best. Consumers shape their personality through brand culture and brand personality. They believe that the things they use represent their identity and personality. Advertising establishes a social system of value, role model, and lifestyle. People are willing to believe in the system and live their own lives in the style shown in advertisements. Advertising continuously connects consumers with consumption through endless hints of happiness and success (Chen, 2011). We can find various lifestyle templates from advertising, such as the description of the ideal family pattern, the definition of success and a high-quality life, the fantasy of a gender relationship, and stories about human affection. Advertising turns out to be a textbook guiding us on how to live a quality life.

Advertisements use novel ideas and creative and artistic expressions to show tasteful life images. Audiences can learn ways to live an elegant life from advertisements. This type of free, ubiquitous, intensive broadcasted "tutorial" influences its audience in subtle ways. To some extent, advertisers are dream interpreters, tapping into the desires of potential consumers and guiding consumers' consumption behaviors. A successful advertisement should encourage a resonance with potential consumers. To reach this goal, advertising practitioners must have excellent insights into cultures, values, and consumer lifestyles. After reviewing the literature about the relationship among advertising, values and lifestyles, the influence of advertising in shaping consumer values and lifestyles has been identified in developed markets. To expand previous advertising research in emerging market context, the mediating mechanism of advertising in China will be studied.

2.4 Research focus: The New Middle Class in Post-reform China

2.4.1 Background of the Middle Class

Class is an important concept in understanding the society and human behavior. In 1848, Marx and Engels proposed that almost all kinds of societies are divided into different classes and social ranks (Marx and Engels, 1967). For them, a class means a group of individuals who share similar economic interests. Since social differences appeared in human society, supreme classes have been devoting their efforts toward distinguishing themselves from the lower classes. The legitimation of certain behaviors and lifestyles is important in keeping distance from different classes. In ancient times, special rituals and ceremonies were used to guarantee the authority of the supreme classes, which clearly recognized different classes. Nowadays, with the progress of a democratic society, distinguishing different classes is becoming difficult. On the one hand, people consider discussing social classes as taboo because they believe in democracy, equality, and freedom, which are advocated by politicians. On the other hand, brands promote noble or fashionable images that imply certain social ranks, which call the desires of getting wealthy people to identify their social status through consumption. Consumption is not only determined by economic condition but also influenced by consumers' ability to appreciate. The ability of appreciation is called "cultural capital" (Bourdieu, 1984). Bourdieu considers consumption as a communication process between and within classes. People are classified into different levels of the social hierarchy according to their consumption choices. Goods around our world define who we are and our position in society, including the place we live in, food we eat, restaurants we go to, books we read, music we listen to, and clothes we wear. However, social classes have strong mobility nowadays, and they are changing all the time.

Two main theoretical systems lead the research on social stratification: Karl Marx's theory on class conflict and Max Weber's three-component theory of stratification. Originating from economic capital as a single criterion of stratification, theories on social stratification have been developed into a multidimensional framework that includes qualification, political affiliation, honor, taste, and lifestyle as criteria. Within the social class system, the middle class is the most sensitive and anxious with regard to social

ranking. For the middle class, lifestyle is a life-long project to express personality and status honor and keep distance from the lower class. Lifestyle is an important research scope to understanding the middle class in depth.

2.4.2 Conceptual Shift of the Middle Class

In the Western society, the middle class is born from industrialization. Marx proposed two concepts, “bourgeoisie” and “petite bourgeoisie,” to denote the stratum of the middle class. Bourgeoisie represents those who own the means of production to occupy economic supremacy and become the ruling class in society. “Petite bourgeoisie” refers to small-scale merchants and semi-autonomous peasantry who usually work for the ruling class, which is similar to the “middle class.” However, Marx held a negative attitude toward the petite bourgeoisie and predicted that the conservative petite bourgeoisie would lose their power and disappear in the social class struggle (Marx, 1967). On the contrary, Weber held a relatively positive attitude toward the middle class. In Weber’s book *“Economy and society”* (1978), “middle class” refers to “the propertyless intelligentsia and specialists,” such as technicians, various kinds of white-collar employees, and civil servants who may vary in social position depending on the cost of their training. Mills analyzed the middle class in America and proposed the concept of “White Collar” to explain the new middle class in Western industrial society. Compared with the old middle class who owns the means of production and have economic independence, the new middle class are those “salaried” employees who work with the means of production and depend on large corporations, including senior managers, administrative officers in governments, technicians with professional qualification, and others (Mills, 2002). For Mills (2002), people in the middle class are “advance guard in consumption” and “rearguard in politics.” The transformation of the old middle class to the new middle class has two sides. On the negative side, economic independence turns to the lack of the means for production. On the positive side, the criterion of social stratification turns from material wealth to education and profession (Mills, 2002). People who receive better education or have a more prestigious job usually acquire higher status than those with

little education or in a less prestigious job. For example, doctors and lawyers receive greater respect than cleaners or doorkeepers. In the post-industrial society, the manufacturing-centered economy transforms into a service-centered economy. More qualified professionals replace small entrepreneurs to dominate the work market. After Gilbert and Kahl (1993) analyzed the American social structure, they proposed the criteria of nine variables for social class division: occupation, income, property, prestige, social interaction, socialization, power, class consciousness, and social mobility.

The middle class is recognized as those who are seeking material security and paying special attention to a lifestyle. For the middle class, class consciousness is built on shared culture instead of on shared production experiences (Holt, 1997). Fussell (1992) believed that the middle class is the most sensitive and anxious with regard to social ranking. They always worry about the decline of their social status, yet also strive to raise their social status. People living at the bottom of society are willing to believe that money decides social status. The middle class admits the importance of money. However, when they work hard and acquire a certain fortune, they realize that education, profession, and ability to appreciate are also important in entering a higher class. For the upper classes, taste, lifestyle, and a sense of value are the essential criteria of social ranks.

2.4.3 Lifestyle as Distinction in Social Stratification

Classic Marxism considers the means of production and the accumulation of profit as criteria for social class division. Bourdieu extended the analysis to everyday cultural reproduction, expanding all sorts of powers, including economic capital, social capital, cultural capital, and symbol capital, to classify individuals into different social classes and enable them to find their positions in society (Browitt, 2004). For Bourdieu, the volume, composition of these capitals, and social trajectory are the criteria for social class division. Bourdieu (1991) pointed out the power of cultural capital as a key component for reproducing class domination. He defined cultural capital as “knowledge, skills, and other cultural acquisitions, as exemplified by educational or technical qualifications.” Three forms of cultural capitals exist: embodied cultural capital, which consists of

inherited and acquired culture and traditions often from family through socialization; objectified cultural capital, which includes cultural goods owned, such as works of art, books, and machines; and institutionalized cultural capital, which includes institutional recognition and academic qualification, such as diplomas and certificates (Bourdieu, 1984).

Bourdieu (1984) proposed one concept “the new cultural intermediaries”: those who work in design, fashion, media, advertising, and intellectual information occupations and perform services, production, marketing, and dissemination of symbolic goods. These cultural intermediaries usually heavily consider culture and tradition to produce new symbolic commodities and provide explanations and meanings of their use (Featherstone, 2007). For the new middle class or upper class, magazines, books, or television programs teach them self-improvement, self-development, property management, relationships and ambitions, construction of a fulfilling lifestyle, and conveying the appropriate and legitimate signals through their consumption activities (Featherstone, 2007). Cultural intermediaries create a prosperous image of the consumer society with abounding symbols and various lifestyles. However, the abundance of goods covers up social inequality instead of eliminating it.

For Bourdieu, lifestyle is a good criterion for explaining social class division in consumer society. For example, those with equal economic incomes may behave quite differently in consumption and taste, which cannot be explained by traditional economic theory. In consumer society with material abundance, honor and taste become rules for social distinction. The symbolic meanings of consumer goods replace the functional meanings and become the purpose of consumption, which can be characterized as “the primacy of form over function” (Bourdieu, 1977). Cultural capitals help us to train our ability to code, decode, and manipulate symbols. One can enter a class only when he/she can understand these dominant symbols. The consumption of symbols constructs the system of social stratification.

For people in a certain class, lifestyle becomes a life project to display their individuality and sense of styles. Certain constellations of taste, consumption preferences, and lifestyle practices are associated with certain social groupings (Bourdieu, 1984). In addition to physical consumption, the enjoyment of goods is also crucially linked to their use as markers. A culturally inclined person knows appropriate ways to use and consume and has a natural ease in every situation. By comparison, a memory man only knows about the information of goods (Douglas and Isherwood, 1996). Bourdieu (1984) considered taste as markers of class. A status group has a distinctive pattern on living, dining, dressing, entertaining and consuming. This kind of pattern helps define the members within a certain status group to keep the reputation of status and its social and cultural esteem. It is also used as a marker to welcome members and exclude outsiders (Bocock, 1993). Cultural capitals are accumulated for a long time to enhance the capacity to appreciate goods, especially high cultural goods such as art, novels, and opera. Bourdieu (1984) quoted Marx's comments on private property, stating that private property is an owner's personal, distinguishing, and essential existence that permits him/her to preserve his/her personality and distinguish himself/herself from other individuals, as well as relate to them. Bourdieu explained the concept further, stating that a manor house is not a question of money and that the skills of appreciation and usage are more important. The capacity of appreciation, which required long-term investment to cultivate, is indeed "personality," which indicates the quality of a person. Various groups, classes, and class fractions struggle and compete in a structured social space to impose their own particular taste as the legitimate taste (Featherstone, 2007).

Consumption goods and signs overflow in consumer society. The department store represents a bourgeois celebration, expressing the things that the consumer culture stands for (Miller, 1981). We face excessive choices and become lost in the world of goods. Lifestyle is an important strategy for keeping our everyday life in control. It guides members in a certain group to consume proper goods. Through the distinction of lifestyle, individuals can find their own positions and compare themselves with other people's

position in social space. It is a safe way, especially for the middle class, to survive in the group they belong to or they desire to enter into.

2.4.5 Middle Class in China

Many of the changes in China are common features of rapid industrialization: urbanization, the rise of mass higher education, increasing income, and postponed life stages. All these factors influence the lifestyles of the Chinese middle class. For newly rich Chinese consumers, arranging modern daily life nowadays is becoming increasingly difficult because they face more new choices. They need new knowledge to select proper products and keep a proper lifestyle. Challenges are emerging because of the contradiction between traditional culture and modern consumer culture, the conflict of cultural value, and the emergence of various technologies. All these factors affect the daily lives of people. Additional knowledge is required to well adapt to the changing society. In this period, culture and value are drivers of economic value. In fact, each consumption choice one makes represents the lifestyle one chooses (Chen, 2011).

Aspiring for an elite lifestyle is popular in China. The modern elite class in China is different from overnight millionaires in the sense that elite class members have economic and cultural capital. The elite class with a rich cultural capital has a long history in China. In ancient China, scholar-bureaucrats were the elite class, selected from the national examination system called “KeJu.” Talented, well-educated young people had the opportunity to reach the higher class through their personal efforts (Lu, 2011). With high cultural capital and abundant fortune, scholar-bureaucrats formed a luxurious and aesthetic lifestyle, appreciating the beauty of life and objects and mastering in art, literature, home decoration, fashion dress, and jewelry (Lu, 2011). However, the scholar-bureaucrat system was abolished in the 20th century, and most of the traditional culture was destroyed in the Cultural Revolution. After the restoration of the entrance examination for university in 1977, talented young people had the opportunity to change their social status through higher education. Education and a decent career cultivated them to decipher cultural values and choose appropriate lifestyles. Nowadays, most elites

in China absorb Western and traditional culture through advertising and then develop their own lifestyles. They are the role models for the lower class. The opinions of cultural elites dictate the new lifestyle trends, change the attitudes of the public, and influence mass consumption (Lu, 2011). Their lifestyles are often imitated by those who want to enter the higher class. The elite culture is popular, especially in urban China. Images of the elite class are used frequently in advertisements to stimulate a consumer's desire for possession.

The Westernization of lifestyle is another phenomenon. Cultural values communicated through advertising messages are considered powerful forces in shaping the motivations, lifestyles, and product choices of consumers (Tse et al., 1989). As Lu (2011) wrote in his book *Elite China: Luxury consumer behavior in China*, the value system in China is a melting pot, mixing the traditional value systems from traditional Chinese and Western cultures. The uneven development of the two forces leads to ever-changing social values. After decades of material deprivation, the first generation of middle class in post-reform China shows the tendency of conspicuous consumption and hedonism. They regard expensive consumer goods as trophies of success. Most of them are rich in economic capitals, but they lack cultural capitals. Their tastes are different from those of the middle class depicted by Bourdieu. The old middle class and some of the new middle class still consume the symbolic value of brand instead of the functional value. They show off with their clothes, bags, watches, and cars in public. The new middle class with good educational background focus on economic and cultural capital. They invest on education and lifestyle cultivation. The new middle class shows off their taste and lifestyle, not only luxury goods with large logos (Jamieson, 2010). When the middle class purchases luxurious goods, they consider whether the products can express their taste, not only their money.

2.4.6 Defining the Emerging Chinese Middle Class in China

From the above literature studies on social class, we have identified three main criteria to define the new middle class in this research: economic capital, cultural capital and

lifestyles.

In numerous marketing studies, economic capital is considered the most important criterion in defining the middle class. Economic capital refers to one's financial power, including income, asset, and other money or property resources. Income is used most frequently. Forbes defines the Chinese middle class as those whose annual income is between US\$10,000 and US\$60,000. In fact, major differences exist in China. The average income in Shanghai is significantly higher than those in three-tier cities in Northwest China. The GDP per capita of China is US\$7,485 in 2014. The GDP per capita of Tianjin, Beijing, and Shanghai are above US\$15,000, but the GDP per capita of Guizhou, Yunnan Gansu is lower than US\$5,000. The price of real estate is also diverse in different areas. Thus, setting a universal economic criterion to define the Chinese middle class is very difficult. When certain regions are focused on, the criterion of income can be set according to its average income and GDP. In this research, the researcher only focuses on the middle class living in Guangzhou, a first-tier city in China. In 2014, the average monthly income in Guangzhou is 6,830 RMB, which is higher than the minimum standard of the middle class defined by Forbes. Some reports from marketing and consulting groups consider private housing and private car as a must for the middle class. Private housing is an interesting phenomenon in China. According to the China Household Finance Survey conducted by The Survey and Research Center at Southwestern University of Finance and Economics (2014), home ownership rate is 89% in urban areas and 96.7% in rural areas. A total 21% of the households own multiple housing properties. The Chinese cherish family values. The core of family values is private housing. Owning personal real estate means that one owns a home in this city. It is a sense of belonging and security. Therefore, compared to Western people, the Chinese are more enthusiastic to purchase housing property. Home ownership rates in Germany, France, and the US are 53.3%, 63.7%, and 63.9%, respectively. In China, the rate is significantly higher. Private housing is an important factor in judging the Chinese middle class. A unique characteristic of the Chinese middle class is that a high proportion of their

income goes to housing mortgage. This characteristic means the middle class owning a house with mortgage have less disposable income for consumption. A private car is also a symbol of the middle class. Some scholars agree that the middle-class standard should include ownership of a house and a car and the capacity to travel abroad or a prosperous domestic holiday annually (Liu, 2013). These factors can be used as general criteria to assess one's economic power.

Cultural capital refers to the knowledge of legitimate culture (Bourdieu, 1984), mainly relating to educational qualification, profession, and taste. Fortune, profession, and education are interconnected. After accumulating enough economic capital, middle-class people need some legitimation of their social status. Cultural legitimation can help them be approved by society. Education likewise influences personal career and then wealth accumulation in the free economy era. Personal consumption preference and taste are also determined by cultural capital. The enjoyment of goods is usually linked with social classes.

The most commonly used evidence of cultural capital is educational qualification. Unlike family background, education can be controlled by the individual. Higher education is the main driver of the rise of the middle class. Education means that one can ascend to a certain status group, have more opportunities to obtain well-paid careers, and move up in society. During the 1980s and the 1990s, many people in China who owned economic capital were very low in cultural capital. They were labor contractors, factory owners, or self-employed businessmen. After multinational corporations entered China, numerous new white-collar professions were created, leading to the emergence of the new middle class. Educational qualification is the means for common people to enter a white-collar industry. In the 21st century, a bachelor's degree or higher is an essential criterion for the middle class. The 80s and 90s generations are well educated. They form a large group of the new middle class and play an important role in politics, economy, and society.

Profession is another indicator of cultural capital. The concept of "white collar" is used to explain the new middle class in Western industrial society. The old Chinese middle class

refers to those who own the means of production and have economic independence, including private entrepreneurs and self-employed people. The new middle class are those “salaried” employees who receive higher education, have a decent job, and depend on large corporations and institutions. They include senior managers, administrative officers in governments, doctors, engineers, designers, technicians with professional qualifications, and teachers, among many others. Knowledge is their capital. In the digital era, new professions emerge, requiring many well-trained programmers, product managers, designers, and marketing experts. These professions are highly educated and high-salaried. Education and profession influence the taste of the Chinese middle class. The third criterion for defining middle class is lifestyle. Several empirical studies on social stratification have adopted lifestyle as a key criterion (Wei, 1997; Vyncke, 2002; Zhou and Huang, 2016). Lifestyle has external and internal forms. The external expression includes ways in which one purchases, uses, and appreciates objects. The internal form of lifestyle includes taste and aesthetic capacity. Lifestyle is not only about material consumption but is also related to cultural consumption and leisure activities. According to literature and data from consulting companies, many Chinese middle class desire the Western lifestyle because they believe that Western life is fashionable, modern, romantic, and tasteful. Cultural elites may desire for traditional Chinese lifestyle, which is another type of luxurious living. Advertising offers various templates for decent living by describing ideal or successful lifestyles. People choose the best-fit lifestyles to follow. According to the China VALS model (SBI, 2014), the middle class belonging to different categories prefer different lifestyles and consumption patterns.

2.5 Research Gaps

This research is designed as an extension to the existing body of knowledge found in western and European studies and to fill the gap on study in Chinese setting. Most studies on values, lifestyles, and advertising are conducted in developed economies with mature consumer markets (Burgess and Steenkamp, 2006; Zarantonello, Jedidi and Schmitt, 2013). For emerging markets with different economic, social and cultural context, the

generalizability of these advertising and consumer theories need to be examined. Four main research gaps are identified after literature review:

1. The Lifestyles of the New Middle Class in China

As a leading emerging market, China is outstanding among fast-developing emerging economies in the process of globalization. However, China's middle class does not follow the footprint of the western middle class process because of its socialistic context (Wang, 2015). Numerous studies have been conducted about the middle class in emerging economies, mainly focusing on political issues, self-identity issues, and consumer behavior. However, few studies investigate middle-class values and lifestyles from the perspective of advertising. Moreover, very few studies were found in examining the intra-class lifestyle differences among middle class. Therefore, this research will take a close eye on the lifestyles of new middle class living in urban China, to divide Chinese middle class into several segments based on their lifestyle differences, to examine intra-class differences of values, lifestyles, and attitudes among them.

2. The dominant values in advertising targeting middle class consumers in China

Cultural values manifest in advertising have been studied by many scholars (Pollay, 1983; Cheng and Schweitzer, 1996; Lin, 2001; Chan and Cheng, 2002; Zhang and Shavitt, 2003; Zhang and Harwood, 2004). However, very few studies were found in advertising research that examine the dominant values in advertising targeting middle class consumers. Advertising is the mirror that reflects social and cultural trends (Sivulka, 2012). As mentioned in this chapter, advertising plays an important role in guiding mainstream values through its pervasive influence. Advertisers intentionally emphasize some values over other values (Pollay, 1983). To understand the values and lifestyles of Chinese new middle class, studying the values in the advertisements targeting these consumers is an effective way to get up-to-date knowledge about mainstream values promoted in mass media and its influences on the target audiences.

3. The dominant values shared by the new middle class in China

Value is an important starting point in understanding consumers in emerging markets.

However, empirical evidence is lacking in value research targeting middle class in China. Eastern culture, individualism and collectivism, and Confucius traditions make China unique in value studies. To ensure smooth and effective communication with the consumers in emerging markets, advertisers and marketers must know about the cultural contexts and dominant values shared by the consumer segments. Therefore, this research intends to examine the dominant values shared among the emerging Chinese middle class, and to investigate dominant values preferred in advertisements for the emerging Chinese middle class.

4. The interrelationships among advertising, lifestyles and values of the new middle class in Post reform China

In this chapter, the researcher has reviewed the theories of value and advertising, value and lifestyles, advertising and lifestyles and analyzed the interaction in each pair of concepts respectively. The interrelationships among advertising, lifestyles and values have barely discussed. Analyzing the interrelationships among advertising, lifestyles and values of the new middle class in China based on empirical evidence will be useful to understand the mechanism of advertising in guiding and shaping the lifestyles and values of Chinese middle class and further influence social and cultural trends.

After reviewing the literature and identified research gaps, research questions will be proposed in the next chapter, and appropriate research methodology will be designed to reach the answers to research questions and to fill up the research gaps.

Chapter 3 Research Questions and Methodological Considerations

Abstract

Chapter 3 first outlines the research questions based on research gaps identified after literature review, then explains the choices of research methods. Social survey and content analysis are selected as the main methods. The purposes, key features, and limitations of social survey and content analysis are examined. The third part is about research design and brief introduction of three studies.

3.1 Research Questions

The research aims to answer five main research questions.

Research question 1:

What values are frequently used in Chinese advertisements targeting middle-class audiences?

- a. Are specific values associated with particular product categories in Chinese advertisements targeting middle-class consumers?
- b. Do values in Chinese advertising differ on magazine categories targeting middle-class consumers?

Research question 2:

What are the characteristics of different consumer segments of the middle class and their lifestyle preference in post-reform China?

- a. Dominant lifestyles of the new urban middle class in post-reform China
- b. The characteristics of different consumer segments of the new middle class and their lifestyle preference in post-reform China
- c. Attitude differences of lifestyle segments to advertising

Research question 3:

What are the dominant values shared by the new urban middle class in post-reform China ?

Research Question 4:

Which value themes in advertising are considered as most attractive by Chinese

middle-class audiences?

Research Question 5:

What is the relationship among advertising, lifestyles, and values of the new middle class in post-reform China?

3.2 Methodological Considerations

Research in the social science field is conducted to investigate and interpret a social phenomenon. It requires philosophical consideration to determine the right approach to use. We usually start a research with three questions: “what to research,” “why do research,” and “how to research”, which relate to research ontology, epistemology, and methodology (Remenyi, 1998). These three core assumptions are correlated with one another, that is, the understanding of ontology affects the epistemological views and the choice of appropriate methodology (Holden and Lynch, 2004). Objectivism and subjectivism are opposite dimensions that determine the way we understand the world. The objectivist approach is developed from natural science, employing methods of natural science to study social phenomenon and often adopting a quantitative and positivist method for research. To answer the research questions, content analysis and social survey are adopted as main methods in this research. Social survey and content analysis are usually considered as quantitative studies in the positivist approach. A positivist research is theory-driven and performed to collect and analyze data on the social world to test the theories and explain human behavior (May, 2001). With social survey and content analysis, the researchers believe that facts about the social world can be gathered (May, 2001).

3.2.1 Content Analysis

To answer research question 1, content analysis is adopted.

Content analysis is a research method to study phenomena empirically. Content analysis “uses a set of procedures to make value inferences from text” (Weber, 1990). It is an important research tool to study communication contents in scientific way. Content analysis can be used to identify trends and patterns in documents, from texts to images.

Content analysis can be qualitative or quantitative. To study advertising messages, quantitative content analysis is adopted. Content analysis can describe communication messages in a quantitative, systematic, objective way, to make replicative and valid inferences from data to context (Kerlinger, 1973; Krippendorff, 1980; Riffe, Lacy and Fico, 2014). Because of the objective and replicative nature of quantitative content analysis, the validity and reliability of communication study can be guaranteed (Kassarjian, 1977).

Coding Procedure

Advertising contains symbols, whether verbal, textual or images. People may understand symbols in different way. To study advertising in objective manner, we have to identify appropriate contents in advertising that can be coded into systematic variables. To stipulate objectivity of the research, the coding rules and procedure should be carefully formulated. Advertising images, to some extent, contain subjective judgements when coders make decisions. The categories of analysis and the criteria for coding must be defined precisely. All decisions by coders are guided by explicit rules which can minimize subjective influence. To test the objectivity, the inter-coder reliability will be tested. If at least two coders follow identical procedure to code the same contents, they will reach the most similar results, which means this study is reliable and replicative. The researchers must take coder's perceptions and personal dispositions into consideration. Therefore, training coders is an essential work in content analysis study. Categories of analysis are also important. The categories in content analysis are the conceptual scheme of the study (Kassarjian, 1977). The categories selected for this study were an adapted version of Schwartz's value system. The coders were asked to label each advertising image into one of the value categories. A well-trained coder can make decision about the categories that best describe the content. Limitations of content analysis are obvious. First, it heavily depends on the decisions by coders, which may lead to bias and misunderstanding. Second, it only describes the data, instead of explaining any in-depth meanings, which is hard to get causality deduction.

3.2.2 Social Survey

To answer research question 2-5, social survey is adopted.

The purposes of social survey are description and explanation. Description is the basic function of social survey. This function provides basic demographic and psychographic information about the new middle class and describes the economic, cultural, and lifestyle characteristics of the Chinese middle class. Data from these surveys form large variables that clearly describe the lifestyle characteristics of different categories of respondents, such as age groups, income, or education level categories. Explanation is used to identify causes of phenomena and develop models of behavior. Survey analysis can offer explanations and build models by comparing cases in terms of their variations on some characteristics (de Vaus, 2002). In the present study, the relationships among advertising, lifestyles, and values of the Chinese middle class are explained. For example, the respondents with higher educational background may be systematically different in lifestyle preference or attitudes toward advertising from the respondents with lower educational background. The researcher attempts to understand the causes of middle-class lifestyle formation by considering the characteristics systematically linked with such formation. Unlike a social experiment with clear causal links, a survey approach would not create the variation but would find naturally occurring variations.

The key features of social surveys are form of data and analysis methods (de Vaus, 2002). A survey requires that the same information is collected for each case to form a structured set of data so that each case can be compared on the same characteristics. Structured questionnaires are used in this research; that is, every respondent is asked the same questions in the same way to efficiently construct a structured data set about the lifestyles of the middle class and their attitudes toward advertising. Compared with the case study about individual cases, the social survey is about group characteristics. Survey research is focused on the variables and characteristics of cases instead of the cases themselves.

Survey research seeks an understanding of the causes of a phenomenon by considering the variation in that variable across cases. In explaining the data, several statistical

methods are selected in this study: descriptive analysis (frequencies; crosstab analysis), dimension reduction (factor analysis), and classify analysis (cluster analysis; discriminant analysis) through the software SPSS.

Descriptive analysis is the basic statistical analysis used to obtain the data on the means and frequencies of the variables. In studying the relationship between two or more variables, cross tabulation (crosstab) analysis is an appropriate method. With crosstab analysis, we can compare the attitude differences on gender, ages, educational levels, incomes, and professions.

Factor analysis is used to reduce the set of variables by combining a large number of related factors to several interpretable potential factors (Janssens, De Pelsmacker and Van Kenhove, 2008). It is useful in investigating variable relationships for complex concepts, such as lifestyle categories, because numerous variables with similar patterns of response cannot be measured directly. In this research, 26 lifestyle statements are combined into six key lifestyle factors.

Cluster analysis is used to classify samples into several clusters. Samples in the same cluster share similar characteristics. This method is useful in marketing by segmenting potential consumers into groups for an enhanced understanding of the characteristics and consumer behaviors of certain groups (Janssens, De Pelsmacker and Van Kenhove, 2008). In the current research, respondents are grouped into four consumer clusters based on six lifestyle factors obtained from a factor analysis with K-means clustering.

Discriminant analysis is used to predict a categorically dependent variable through one or more continuous or binary independent variables. On the basis of cluster analysis, discriminant analysis is used to identify the attitudes of each middle-class cluster toward advertising.

Internet Surveys with Online Questionnaires

Internet surveys are adopted in the research because they are cheap, efficient, and can reach respondents without time and location limits. Moreover, these surveys provide respondents with an anonymous environment to express their true opinions, and data are

easy to collect and analyze.

Compared with face-to-face questionnaire, online questionnaire has some advantages. First, the sampling criteria can be controlled by the consumer panel system to make sure the survey can reach its target respondents—the new urban middle class in this research. Second, compared with mail questionnaire and face-to-face survey, this method is relatively cheaper and saves time. Third, the respondents can take their own time in answering the questionnaires. Fourth, the respondents must finish all the questions before they submit the result, which will guarantee the completeness of the data. The issue of Internet penetration is not considered a problem in online survey because it is high among the new urban middle class. Official data from the China Internet Network Information Center shows that in June 2015, China had 668 million netizens (CNNIC, 2015). Online penetration rates are significantly higher in the most developed cities. Most of the new urban middle class in urban cities can access the Internet on a daily basis.

Limitations of Social Surveys

To fully understand the Chinese middle class, we must consider that two limitations exist in social surveys. First, surveys cannot establish causal connections between variables. Simply demonstrating two things together and making causal links are common mistakes. Second, the missing context of beliefs and behaviors in social surveys may lead to a misunderstanding of consumer behavior. People who choose “like watching advertisements very much” may have different reasons.

3.3 Research Design

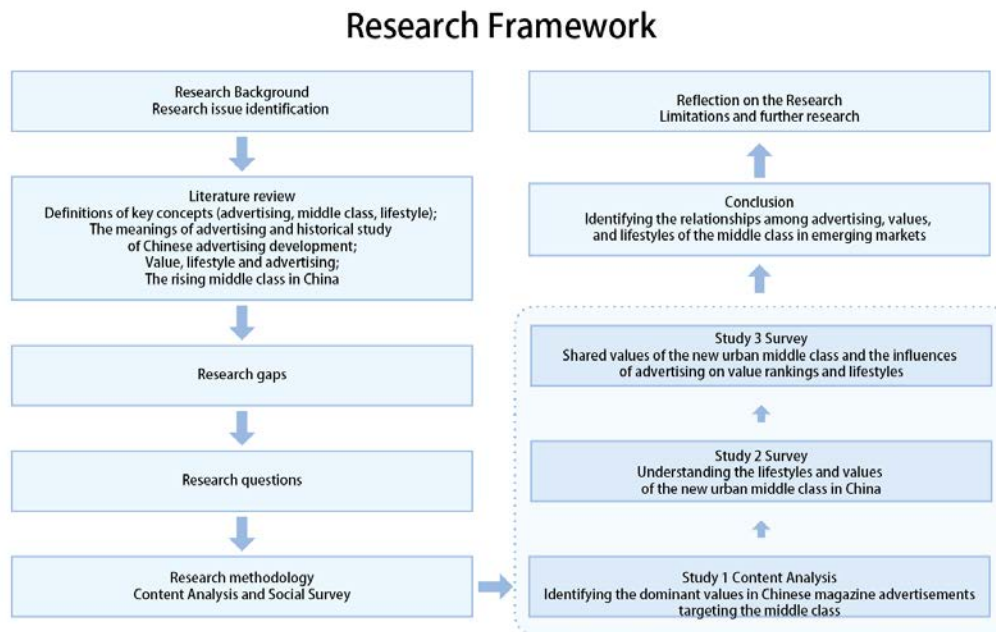


Figure 5 Research framework

Source: Author's own composition, 2016

Research design is to plan operational procedure to acquire generalizable and empirical evidence for knowledge. Designing the research is a critical stage. Incorrect design will lead to invalid data and wrong conclusion. The purpose of this research is to identify the relationship among advertising, values and lifestyles of the middle class in emerging market. Three correlated studies were carried out to answer the research questions.

Study 1: Identifying the Dominant Values in Chinese Magazine Advertisements Targeting the Middle Class

In identifying the dominant values shown frequently in advertising, a content analysis of print advertisements from nine of the most popular lifestyle magazines was conducted. Content analysis is a method for studying visual or written materials by extracting, coding, and classifying the information or content from documents. In this study, print advertisements are the source under study. Content analysis is frequently used to study the cultural values manifested in advertising (Chen, 1997; Lin, 2001; Zhang and Shavitt,

2003). The pieces of information from magazine advertisements, including product category, product origin, model ethnicity, and key value theme, are coded in quantitative form to obtain the frequencies of value themes used in advertisements and compare product category, product origin, and model ethnicity with value themes in advertising.

Study 1 will answer these research questions:

What values are frequently used in Chinese advertisements targeting middle-class consumers?

Are specific values associated with particular product categories in Chinese advertisements targeting middle-class consumers?

Do values in Chinese advertising differ on magazine categories targeting middle-class consumers?

The results and discussion of study 1 are presented in chapter 4.

Study 2: Lifestyles of the New Urban Middle Class in China

Study 2 is a quantitative study using social survey as research method. This study profiles the lifestyles of the new urban middle class in four Tier-1 cities in China by examining the geographic, demographic, and psychographic characteristics of the new urban middle class to understand the middle-class consumer market in China. The research findings offer a geographical and typological understanding on the new urban middle-class segmentation based on the analysis of their lifestyles and perceptions of advertising. Such understanding will create value for marketers, advertisers, researchers, and those who want to know more about the Chinese middle-class consumer markets and create related advertising strategies that target them. Research on lifestyle is beneficial to advertising, marketing segmentation, and mass communication studies.

Study 2 will answer these research questions:

What are the demographic characteristics of new middle class in post-reform China?

What are the dominant lifestyles of the new urban middle class in post-reform China?

What are the characteristics of different lifestyle segments of the middle class and their lifestyle preference in post-reform China?

What are the attitude differences of lifestyle segments to advertising?

The results and discussion of study 2 are presented in chapter 5.

Study 3: Shared Values of the New Urban Middle Class and the Influences of Advertising on Value Rankings and Lifestyles

Study 3 is a quantitative study using social survey as main research method. The questionnaire design and research purposes of study 3 are different from those of study 2. This study intends to examine the dominant values shared among the emerging Chinese middle class, and to investigate dominant values preferred in advertisements for the emerging Chinese middle class. The relationships among advertising, values, and lifestyles of the middle class in an emerging market will also be discussed. Given that value priorities and lifestyle preferences have significant effects on purchase decisions, understanding the shared values, lifestyles, and desires of Chinese middle class can help marketers precisely position their advertisements for potential consumers and obtain in-depth consumer insights.

Study 3 will answer these research questions:

What are the dominant values shared by the new urban middle class in post-reform China ?

Which value themes in advertising are considered as most attractive by Chinese middle-class consumers?

What is the relationship among advertising, lifestyles, and values of the new middle class in post-reform China?

The results and discussion of study 3 are presented in chapter 6.

Chapter 4 Values in Advertising Targeting the New Urban Middle Class

Abstract

Chapter 4 identifies frequently used values manifested in advertising. The findings allow for better understanding of the lifestyle and value disposition from the angle of advertising appeals. To identify the dominant values in advertising, a content analysis of print advertisements from nine of the most popular lifestyle magazines was conducted. The data, which include product category, product origin, and key value theme, are coded in quantitative forms to acquire the frequencies of value themes used in advertisements, as well as compare product category and origin with value themes in advertising.

4.1 Introduction and Research Questions

Cultural values manifest in advertising have been studied by many scholars (Pollay, 1983; Cheng and Schweitzer, 1996; Lin, 2001; Chan and Cheng, 2002; Zhang and Shavitt, 2003; Zhang and Harwood, 2004). Advertising, as the carrier of cultural values, plays an important role in mass media communication (Pollay, 1983). Its influences to society and culture are significant. As Sivulka (2012) pointed out, advertising is the mirror that reflects social and cultural trends and is capable of shaping society. Whether explicit or implicit, all advertisements carry values. Values offer an opportunity to differentiate brands by going beyond product functions and offering symbolic meanings (de Mooij, 2010). We are influenced subtly by the meanings advertisers create in advertisements; in turn, our lifestyles and value priorities can affect the strategies of advertising design and branding. However, this mirror is distorted since advertising reflects only selected attitudes, values, lifestyles, and philosophies that work for sellers' interests (Pollay, 1986). Values are probably one of the most powerful factors in explaining consumer behavior (Okazaki and Mueller, 2007).

To identify the dominant values shown frequently in advertising targeting middle class consumers in China, a content analysis of print advertisements from nine of the most popular lifestyle magazines was conducted, to answer the research questions:

What values are frequently used in Chinese advertisements targeting middle-class

consumers?

Are specific values associated with particular product categories in Chinese advertisements targeting middle-class consumers?

Do values in Chinese advertising differ on magazine categories targeting middle-class consumers?

4.2 Theoretical Frameworks

Two key theories are adopted in the value and advertising study: Hofstede's five dimensions of national culture (1984) and Schwartz's value system (1994). Two out of five cultural dimensions can be used in explaining values manifest in Chinese advertising: collectivism/ individualism, masculinity/ femininity. The cultural dimension of collectivism/ individualism is used frequently in advertising research to explain cross-cultural differences in value themes or cultural value changes under the influences of globalization in specific cultural context. Collectivistic and individualistic cultural dimensions are often used to explain the communication styles in specific cultures. In collectivistic cultures, the identity of an individual is determined by the social position he/she holds and the social groups he/she belongs to. Maintaining a good relationship with others is very important in collectivistic cultures. People in collectivistic cultures care about the opinions of others, and their decisions are likely to be influenced by other people. They are relationship-oriented when dealing with work or business projects (de Mooij, 2010). According to de Mooij, approximately 70% to 80% of the world's population are collectivistic (de Mooij, 2010). Previous study found that in collectivistic cultures such as in China, advertising about family or in-group benefits is more effective. In individualistic cultures such as in America, advertising about individual success and personal benefit with independent characters is more effective (Han and Shavitt, 1994). Masculinity/ femininity is the second dimension the researcher has strong interest in. In masculine culture, value themes of accomplishment, social status, winning are used frequently in advertising and mass communication. These values are also considered as

important in guiding the life of people in masculine society.

Schwartz Theory of Basic Values identifies ten basic values shared universally. Schwartz theory of basic values can be applied to advertising research because it describes value types in terms which can be used directly in advertising. Hundreds of empirical studies have been conducted based on the Schwartz theory of basic values from 1992 to 2012 (Schwartz et al., 2012). In this study, the values of hedonism, power, achievement and the dimension of hierarchy can be used in explaining dominant values in Chinese advertising. The value of hedonism refers to pleasure and enjoyment for oneself. The value of power refers to social status and prestige. The value of achievement refers to personal success and achievement (Schwartz, 2012). The dimension of hierarchy relates to people's roles and responsibilities in the society and their social resource distribution. In hierarchy cultures, the unequal allocation of power and resource are accepted (Schwartz et al., 2012). People in hierarchy cultures occupy different social positions in the hierarchical system with unequal roles, power and resource (Schwartz et al., 2012).

Both Hofstede's cultural value theory and Schwartz's theory of basic values are adopted as the theoretical foundation of the study. With the development of economy globalization and cultural globalization, the stereotypes of cultural dimensions and value orientations in different countries and nations may change. Therefore, this study tries to use the up-to-date advertisement material to examine the cultural value changes reflecting in advertising in urban China context.

4.3 Method

Sampling and data collection

In this research, magazine advertisements are selected as research objects. Magazines have some advantages. They are usually read at leisure and are often kept for weeks or months before being discarded. The quality of content and printing of magazines are better than those of newspapers. The researcher consulted two media experts for suggestions for proper magazines. One media expert works as an editor, and the other expert is a media manager in a 4A advertising agency. After the outward magazine

positioning, advertising resource bidding material, and publication data are compared, nine of the most popular lifestyle and news magazines targeting the urban elites and the middle class were selected for this study. As the most influential fashion and lifestyle publications, these selected magazines offer high-quality information and high-taste contents, as well as deliver the latest fashion for the urban middle and elite classes. They play an important role in guiding modern lifestyles, fashion, and popular culture, as advocated by the new urban elites and white collars with high income, high consumption power, and good taste. The ages of the targets range from 20 years to 45 years, and they have a yearly income above 80,000 CNY. All advertisements in the July to December 2015 issues were collected. Repeated advertisements were included only once. As a result, 525 print advertisements were selected. All of the advertisements were at least A4 size (8.5 inches × 11 inches) to ensure the creative quality and the value display.

Brief Introduction of the Nine Lifestyle Magazines

Sanlian Life Weekly is the most authoritative and influential news and cultural magazine in China. It is an essential reading material for corporate owners and senior business executives. With an excellent editorial team from top industry writers and columnists, the magazine is noted for its in-depth critique and superior presentation standard.

Businessweek/China is the Chinese version of Bloomberg BusinessWeek, which offers in-depth reporting and articles to analyze global economic trends for Chinese business elites.

IDEAT is the only circulation growth in France among interior design magazines in 2013. IDEAT China focuses on new trends in China, emphasizes the urban spirit, and proposes a lifestyle attitude to its readers. It focuses on the different forms of global contemporary lifestyles. Fashion, accessories, shooting, shopping, hotel deco, and many beautiful homes are shown as references for readers.

TRENDSHOME Magazine was founded in 2000 and has become the leading brand among home magazines in China. TRENDSHOME has the largest circulation in its market in China. It is positioned as a “lifestyle advisor and close friend.”

ELLEDECO launched in China in 2004 to promote the idea of “Living with design” and offer up-to-date information about international trends in home decoration and lifestyles. It has been selected as the most influential design and lifestyle media platform in China. Cityzine Magazine is a weekly lifestyle magazine targeting the urban youth. It is dedicated to reflecting urban lifestyles, original spirit, and urban observation on life and fashion.

CHINA LIFE magazine is dedicated to promoting the superior traditions of the national culture. The slogan of LIFE is “Heart of Life,” which is aimed at the new rich of China’s upper and middle classes. The magazine is a source of inspiration for cultural and spiritual lifestyles.

Condé Nast Traveler launched in China in March 2013 as a high-end travel lifestyle magazine, which is to target refined and affluent new middle class, offering information about travel, destinations, boutique hotels, as well as fashion and shopping.

LOHAS magazine promotes organic, healthy, fashionable, and sustainable life. It targets the educated and well-off middle class who are driving a trend for sustainable and organic products in China.

Coding Procedure

The advertising appeals were coded to identify the values that appeared most frequently in the advertisements. Pollay’s measurement of values manifest in advertising (1983) is used as the basic measurement guide. The coding sheet was designed based on previous advertising research (Pollay, 1983; Belk and Pollay, 1985; David, Belk and Zhou, 1989; Zhang and Harwood, 2004). The value theme categories selected for content analysis were based on Schwartz’s value system. After carefully compared the wording of values with Maslow’s Hierarchy of Needs (1987), Rokeach’s instrumental values (Rokeach, 1973), and Kahle’s List of Values (LOV) (Kahle, Beatty and Homer, 1986), and evaluating value presentation in Chinese advertising, 12 values are finally adopted in the coding sheet. The definitions of the values are listed below.

Two bilingual Chinese coders were involved in the coding process. They used a standard

coding sheet to extract the dominant value in each advertisement image. The coding sheet is attached in Appendix 3. The coders used gestalt impressions to identify dominant values (e.g., Cheng and Schweitzer, 1996; Chan and Cheng, 2002). Two coders worked on the same 38% (200 in total) of the advertisements. The inter-coder reliability was good (87%, Scott's pi = .85). One coder continued coding the remaining advertisements. The advertisements were also classified according to product categories (e.g., clothing, automobiles; percent agreement: 95%, Scott's pi = .94). Repeated advertisements for the same product were included only once.

Table 1 Descriptions of the Dominant Values in Advertisements

Values	Descriptions
Family	Family is about tradition. Growing up within the family, which is the basic unit of social structure. The product is good for the family; use and share the product with family members; guarantee safety of family.
Kinship affection	Showing family love and responsibility, and caring for the future of children and life quality of the elderly. Ads usually describe affection among family members, namely, sensitive expression. Using the product will strengthen the affection and love among family members.
Accomplishment	Referring to achievement, accomplishment, successful career.
Enjoyment	Hedonism, pursuit of quality of living, fun, laughter, happiness, celebration, enjoyment of life, playing games, joining parties, feasts, and festivals.
Social status	The social position of individual, usually earned by personal achievement and family heritage. The ownership of goods is considered as visualizing social status. Using the product will mark the social status and self-identity of the user, as well as possession of dignity.
Love	Affection between couples. Love is associated with romanticism. Ads use lovers holding hands and embracing in romantic settings to promote a product.
Sense of belonging	To be accepted by peers, colleagues, and social groups; bond in friendship, companionship, fellowship, cooperation, reciprocity, etc.
Social responsibility	Educating the audience on the negative effects of their products; supporting social causes in the ads; portraying people behaving safely; delivering

	positive values; promoting individual responsibility.
Utility	Useful, pragmatic, functional, efficient, helpful; emphasizes the functions, qualities, durability, and effectiveness of the products.
Self-fulfillment	Ambition and striving; working hard to achieve certain goals. Ads usually tell the story of a dream and striving to fulfill the goal.
Economic value	Economic value, buying the product can save money or can be an investment behavior, with expectations to receive something in return.
Authority power (expert/celebrity)	Claims of experts, celebrities, other authorities, or leading status of the brand and product; Charisma and authorized status could influence people's perception of the product.

Notes: Definitions of the values are adapted from previous research (Pollay, 1983; Belk and Pollay, 1985; Tse, Belk and Zhou, 1989; Zhang and Harwood, 2004).

4.4 Results

Table 2 and 3 describe the overall information pertaining to 525 advertisements. Among these advertisements, 74.7% are foreign brands and only 25.3% are from local brands. Table 3 presents the distribution of the advertisements on product categories. Home decoration, dress and accessories, automobile, furniture and travel are the top five most frequently appearing product categories. These products correlate with the daily middle-class life, from home and car to dressing and leisure activities. These advertisements comprehensively depict the ideal lifestyle scenes created by advertisers.

Table 2 Frequency of Brand Origins in Magazine Advertisements

Brand origin	Frequency	Percent
Foreign brand	392	74.7
Local brand	133	25.3
Total	525	100.0

Table 3 Frequency of Product Categories in Magazine Advertisements

Product categories	Frequency	Percent
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Home decoration	100	19
Dress and accessories	64	12.2
Automobile	62	11.8
Furniture	59	11.2
Travel	55	10.5
Domestic appliances	53	10.1
Watch and jewelry	34	6.5
Brand image	30	5.7
Skincare and cosmetics	24	4.6
Software/APP	14	2.7
Food and drink	11	2.1
Digital entertainment devices	10	1.9
House property	4	0.8
Finance	3	0.6
Non-profit ads	2	0.4
Total	525	100

Table 4 shows the frequencies of dominant values in these advertisements. Results indicate “utility,” “enjoyment,” and “social status” as the three most dominant values used in magazine advertisements targeting Chinese middle-class audiences.

This finding suggests that advertisements in China still play an important role in delivering utility information in product functions and effectiveness. Enjoyment is the second most frequently used value in these advertisements. Enjoyment is considered a typical western value (Cheng, 1997), which was forbidden in Confucian tradition. In Confucian tradition, enjoyment is discouraged. Working hard and not spending more than necessary are considered virtues (Hofstede and Bond, 1988). Hedonism and conspicuous consumption are criticized. Nowadays, enjoyment is legitimated by mass media, western movies, and advertisements. Pursuing good quality life and enjoying it is considered a

reward for hard work. The value of social status is the third frequently used value theme in magazine advertisements. As elite magazines are targeting the Chinese middle class, their audiences are readers who desire to move upward to a higher social status. These people are likely to have status consumption. They want to express their social status through consumer goods. The status meanings of consumer goods are usually delivered via advertisements using “social status” value. The frequent use of social status value in advertisements shows the strong need of Chinese consumers for social status.

Table 4 Frequency of Values in Magazine Advertisements

Values in advertisements	Frequency	Percent
Utility	106	20.2
Enjoyment	102	19.4
Social status	64	12.2
Accomplishment	58	11.0
Authority power	46	8.8
Self-fulfillment	36	6.9
Sense of belonging	29	5.5
Kinship affection	19	3.6
Love	19	3.6
Economic value	16	3.0
Social responsibility	12	2.3
Family	11	2.1
Other	7	1.3
Total	525	100.0

Table 5 shows the frequencies of values manifested by product origins in lifestyle

magazine advertisements. Some statistical differences exist among product origins (with X^2 value= 30.087, df =12, Sig.=.003). The three most frequently used values among local brands are utility (18.2%), social status (11.4%), and enjoyment (11.4%). For foreign brands, the three most frequently used values are the same, namely, utility (20.9%), social status (22.1%), and enjoyment (12.5%). Local brands use the values of kinship affection (6.1% vs. 2.8%), sense of belonging (9.1% vs. 4.3%), social responsibility (6.1% vs. 1%), and authority power (10.6% vs. 8.1%) more frequently than foreign brands do. Significant differences exist between local and foreign brands for values of enjoyment ($X^2=7.327$, $p<0.01$), social status ($X^2=30.322$, $p<0.001$), sense of belonging ($X^2=4.299$, $p<0.05$), and social responsibility ($X^2=11.25$, $p<0.01$). These findings indicate that local brands use collectivistic values more frequently than foreign brands in the advertisements launched in China.

Table 5 Frequencies of Values Manifested by Product Origins in Magazine Advertisements

Value appeals	Local brands N=132 %	Foreign brands N=393 %	Total N=525 %	X^2 Value df=1	p Value
Family	0.8	2.5	2.1	1.517	.306
Kinship affection	6.1	2.8	3.6	3.014	.104
Accomplishment	10.6	11.2	11.0	.035	.852
Enjoyment	11.4	22.1	19.4	7.327	.007**
Social status	11.4	12.5	12.2	30.322	.000***
Love	3.0	3.8	3.6	.175	.793
Sense of belonging	9.1	4.3	5.5	4.299	.047*
Social responsibility	6.1	1.0	2.3	11.250	.003**
Utility	18.2	20.9	20.2	.442	.534
Self-fulfillment	6.8	6.9	6.9	.000	1.000
Economic value	5.3	2.3	3.0	3.036	.138
Authority power	10.6	8.1	8.8	.750	.378
Other	0.8	1.5	1.3	.444	.686

Overall: X^2 value= 30.087, df=12, Sig.=.003

* $p<.05$, ** $p<.01$, *** $p<.001$

Note: the figures represent percentages of values for each brand origin

Table 6 shows the frequencies of values manifested by product categories in lifestyle magazine advertisements. Significant differences exist among product categories for values of kinship affection ($X^2= 26.088$, $p<0.05$), enjoyment ($X^2= 45.72$, $p<0.001$), social status ($X^2= 44.461$, $p<0.001$), sense of belonging ($X^2=30.353$, $p<0.01$), social responsibility ($X^2=38.975$, $p<0.001$), utility($X^2=65.278$, $p<0.001$), self-fulfillment ($X^2=98.706$, $p<0.001$), economic value ($X^2=18.980$, $p<0.05$), authority power ($X^2= 47.623$, $p<0.001$).

Table 6 Frequencies of Values Manifested by Product Categories in Magazine Advertisements.

Value appeals	1 n=53	2 n=100	3 n=59	4 n=55	5 n=63	6 n=64	7 n=24	8 n=11	9 n=13	10 n=10	11 n=30	12 n=34	13 n=4	14 n=2	15 n=3	Total n=525	X ² Value df=14	p Value
Family	1.9	1	6.8	1.8	1.6	0	0	0	0	0	6.7	2.9	0	0	0	2.1	15.339	.051
Kinship affection	5.7	11	0	3.6	0	1.6	0	0	0	10	0	2.9	0	0	0	3.6	26.088	.025*
Accomplishment	15.1	12	18.6	3.6	12.7	10.9	0	27.3	7.7	0	6.7	8.8	25	0	0	11	17.178	.247
Enjoyment	3.8	21	32.2	34.5	12.7	32.8	8.3	9.1	23.1	20	10	0	25	0	0	19.4	45.720	.000***
Social status	1.9	22	27.1	7.3	4.8	17.2	0	18.2	15.4	0	0	5.9	25	0	0	12.2	44.461	.000***
Love	5.7	3	1.7	1.8	4.8	3.1	4.2	0	0	10	3.3	5.9	25	0	0	3.6	10.187	.748
Sense of belonging	3.8	3	0	3.6	6.3	10.9	0	27.3	23.1	0	10	5.9	0	0	0	5.5	30.353	.007**
Social responsibility	1.9	0	0	3.6	1.6	0	0	9.1	0	0	16.7	0	0	100	0	2.3	38.975	.000***
Utility	45.3	21	5.1	23.6	19	4.7	29.2	9.1	15.4	40	0	44.1	0	0	33.3	20.2	65.278	.000***
Self-fulfillment	0	1	0	0	28.6	1.6	20.8	0	0	20	26.7	2.9	0	0	0	6.9	98.706	.000***
Economic value	0	1	3.4	7.3	6.3	1.6	0	0	7.7	0	6.7	0	0	0	33.3	3	18.980	.080*
Authority power	15.1	3	5.1	9.1	1.6	7.8	37.5	0	7.7	0	10	20.6	0	0	33.3	8.8	47.623	.000***
Other	0	1	0	0	0	7.8	0	0	0	0	3.3	0	0	0	0	1.3	18.505	.110

Overall: X² value = 523.963, df=168, Sig.=.000

*p<.05, **p<.01, ***p<.001

Notes: the figures represent percentages of values for each product category

Product categories: 1. Domestic appliances, 2. Home decoration, 3. Furniture, 4. Travel, 5. Automobile, 6. Dress and accessories, 7. Skincare and cosmetics, 8

Food and drink, 9. Software/APP, 10. Digital entertainment devices, 11. Brand image, 12. Watch and jewelry, 13. House property, 14. Non-profit ads, 15. Financial

Utility is the most frequently used value in the product categories of domestic appliances (45.3%), skincare and cosmetics (29.2%), digital entertainment devices (40%), and watch and jewelry (44.1%). This value focuses on excellent functions and performance of the products.



Figure 6 Arda Kitchen Appliance Advertisement

Source: TRENDSHOME, Issue 10, 2015

Dominant value: Utility

Product category: Domestic Appliances



Figure 7 Dior Skincare Advertisement

Source: Traveler, Issue 11, 2015

Dominant value: Utility

Product category: Skin care

Enjoyment is the most frequently used value in the product categories of furniture (32.2%), travel (34.5%), dress and accessories (32.8%), and software/APP (23.1%), all of which promote hedonic lifestyles and appeal to the desire for a better life.



Figure 8 RE-VIVE Chair Advertisement

Source: *TRENDSHOME*, Issue 5, 2015

Dominant value: Enjoyment

Product category: Furniture

The value of social status (22%) is used most frequently in product advertisements of home decoration, which implies that home is an important symbol of social class. When Bourdieu (1984) studied the lifestyles of the middle class in Paris, he took home decorations as one important factor in judging middle-class status.



Figure 9 Kohler Sanitary Advertisement

Source: *Sanlian Life Week*, Issue 37, 2015

Dominant value: Social status

Product category: Home decoration

Wine and organic food advertisements in this study use the value of accomplishment (27.3%) most frequently, showing which products are best for successful people.



Figure 10 LOUIS XIII Wine Advertisement

Source: *Businessweek China*, Issue 1, 2016

Dominant value: Accomplishment

Product category: Drink and food

Automobile (28.6%) and brand image (26.7%) advertisements are more likely to use the value of self-fulfillment by telling the story of the youth spirit striving and fulfilling dreams.

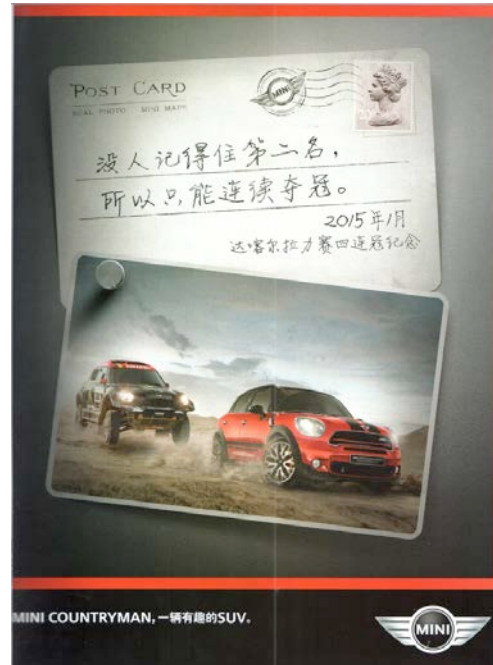


Figure 11 MINI COOPER Advertisement

Source: Traveler, Issue 8, 2015

Dominant value: Self-fulfillment

Product category: Automobile

Table 7 shows the frequencies of values manifested by magazine categories in lifestyle magazine advertisements. Significant differences of values exist among magazine categories for the values of sense of belonging ($X^2=22.364$, $p<0.01$), social responsibility ($X^2=16.810$, $p<0.01$), utility ($X^2=20.612$, $p<0.01$). The dominant values manifested in advertising and the characteristics of the magazines share relevance. Each magazine focuses on introducing different values. Sanlian Life Week, the most authoritative and influential news and cultural magazine for corporate owners and senior business executives, introduces the value of social status (21.2%) as the most frequently appearing value in magazine advertisements. For Businessweek/China, a business news magazine, the value of accomplishment (25%) appears most frequently in the advertisements because the magazine targets middle-level managers who desire

success. IDEAT China is a trendy magazine introducing ideal home and global aesthetic lifestyles. The most frequently appearing value in this magazine is enjoyment (25.5%). Similar to IDEAT China, Cityzine Magazine introduces the latest lifestyle and fashion information for urban young people; therefore, the magazine is dedicated to introducing hedonic lifestyles and the value of enjoyment (22.8%). For home decoration magazines like TRENDSHOME and ELLEDECO, utility is used most frequently in advertisements. Being information-oriented, these magazines offer advanced and high-end home decoration guides and introduce the latest home products. The value of sense of belonging (30.7%) is identified as the most frequently used in LOHOS magazine, which targets the educated and well-off middle class who drive a trend for sustainable and organic products in China. For them, being accepted and approved by the LOHOS groups is important. They are trying to build connections with “people like them.”

Table 7 Frequencies of Values Manifested by Magazine Categories in Magazine Advertisements

Value appeals	1 n=33	2 n=20	3 n=51	4 n=50	5 n=22	6 n=180	7 n=19	8 n=127	9 n=23	Total n=525	X ² Value df=8	p Value
Family	0	0	2	0	0	3.9	5.3	1.6	0	2.1	4.547	.448
Kinship affection	0	5	2	12	9.1	3.9	0	1.6	0	3.6	12.241	.063
Accomplishment	9.1	25	9.8	8	4.5	12.8	15.8	11	0	11	8.708	.333
Enjoyment	15.2	20	25.5	14	13.6	22.8	10.5	21.3	0	19.4	11.070	.198
Social status	21.2	10	9.8	6	0	17.8	0	11.8	0	12.2	18.812	.016*
Love	3	0	5.9	4	4.5	3.3	0	3.9	4.3	3.6	2.281	.980
Sense of belonging	9.1	0	5.9	4	9.1	2.2	5.3	5.5	30.4	5.5	22.364	.001**
Social responsibility	12.1	0	0	0	0	1.7	0	1.6	13	2.3	16.810	.007**
Utility	3	20	15.7	36	31.8	17.8	31.6	22	8.7	20.2	20.612	.008**
Self-fulfillment	6.1	10	7.8	6	9.1	3.9	21.1	7.9	8.7	6.9	9.597	.221
Economic value	6.1	0	0	4	13.6	1.1	0	4.7	4.3	3	12.997	.043*
Authority power	15.2	10	7.8	6	4.5	7.8	5.3	7.1	30.4	8.8	12.736	.084
Other	0	0	7.8	0	0	1.1	5.3	0	0	1.3	13.099	.028*

Overall: X² value = 199.820, df=96, Sig.=. 000

*p<.05, **p<.01, ***p<.001

Note: the figures represent percentages of values for each magazine

Magazine Categories: 1. Sanlian Life Week, 2. BusinessWeek/China, 3. IDEAT China, 4. TRENDSHOME, 5. ELLE DECO, 6. Cityzine Magazine, 7. CHINA LIFE MAGAZINE, 8. Condé Nast Traveler, 9. LOHAS

4.5 Discussion

High-Context Culture and its Influence on Dominant Values in Advertising

Communication styles indicate differences in high- and low-context cultures. In a higher-context culture, many things are left unsaid, which allows culture to explain; whereas in a low-context culture, the communication is more explicit (Hall, 1989). Scholars argue that high- and low-context communication can be considered as respective aspects of collectivism and individualism (Gudykunst and Ting-Toomey, 1988; Hofstede, 2001). On the one hand, in individualistic cultures, one's identity is in the person, which gives importance to self-actualization. Additionally, people in individualistic cultures make decisions independently. These people are task-driven in work. On the other hand, in collectivistic cultures, one's identity is determined by the social position he/she stays in and the social groups he/she belongs to. Keeping good relationships with others is very important in collectivistic cultures. People in collectivistic cultures care about the opinions of others, a value that implies their decisions are likely influenced by other people. They are relationship-oriented when dealing with work or business projects (de Mooij, 2010).

By comparing previous studies carried out in the 1990s, 2000s, and the current study, we can see significant changes in the dominant values of Chinese advertising. In the 1990s, China was still a developing country with less advertising skills than developed countries. Chinese commercials then emphasized basic product features and cost performance heavily (Zhang and Gelb, 1996; Ji and McNeal, 2001). As advertising becomes more sophisticated in China, symbolic appeals and values are promoted, to replace hard sell advertisements emphasizing product functions (Lin, 2001). The changes of Chinese advertising are similar to American advertising. According to the history of American advertising development, the early stage of advertising emphasized product information and functions, while the latter stage of advertising focused on symbolic meanings and lifestyles (Leiss, Kline and Jhally, 1990).

Dominant Values in Advertising and its Influence on Lifestyles

In this study, “utility,” “enjoyment,” “social status,” “accomplishment,” and “authority

power” are the top five most frequently used values in advertisements targeting the Chinese middle and elite classes. The finding suggests that advertising in lifestyle magazines tries to emphasize these five values over other values, or advertisers believe these values are effective in attracting consumer attention. When values of consumers are consistent with the values reflected in advertising, the likeability toward advertisements, products, and brands will increase, and consequently, advertising will be more effective (Polegato and Bjerke, 2006).

Value of Utility and Utilitarian Values

The value of utility means useful, pragmatic, functional, efficient, and good quality. Advertisements using utility value mainly emphasize the function, durability, and effectiveness of products. The findings suggest that utility is still the most dominant value in China by far. Similarly, in the latest marketing research (van der Lans, van Everdingen & Melnyk, 2016), the researchers identified quality as the most important brand benefit in determining consumer purchase intentions in China.

Nowadays, many products promoted in the advertisements are not new to Chinese consumers. Facing numerous homogeneous products, good quality, advanced technology, and reliable brands have become the biggest concern for consumers, especially for product categories belonging to domestic appliances, skincare, digital devices, and watches. Instead of informing consumers about the existence of latest products as the mainstream advertising themes, advertisers use the value of utility to inform consumers about the benefits of these products, which lead to the good quality of life.



Figure 12 Dyson Fluffy Advertisement

Source: IDEAT China, Issue 4, 2015

Dominant value: Utility

Product category: Domestic appliances



Figure 13 HR Skincare Advertisement

Source: ELLEDECO, Issue 7, 2015

Dominant value: Utility

Product category: Skincare



Figure 14 OMEGA Watch Advertisement

Source: *Traveler*, Issue 7, 2015

Dominant value: Utility

Product category: Watch and jewelry

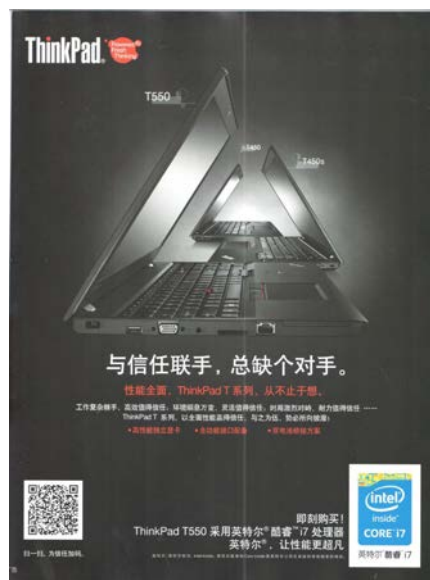


Figure 15 Thinkpad Laptop Advertisement

Source: *ELLEDECO*, Issue 7, 2015

Dominant value: Utility

Product category: Digital device

Value of Enjoyment and Hedonism

Hedonism is one of the basic values in Schwartz's theory, referring to pleasure or sensuous gratification for oneself (Schwartz, 2012). The value of enjoyment belongs to the category of hedonism. The value of enjoyment is a Western value concept, which was first introduced in advertising in the 1980s after economic reforms in China were started. Enjoyment was not encouraged in Confucian tradition. Working hard and not spending more than necessary are considered virtues (Hofstede and Bond, 1988). Hedonism and conspicuous consumption were criticized in the 1980s. People in a collectivistic culture, like China, should care about in-group well-being first, instead of personal well-being and enjoyment. Advertising has the power to lead certain cultural values. Attitudes toward enjoyment have been changing in the past 30 years. After solving fundamental survival needs, the Chinese middle class desires a better life, partly because of the influences of advertising. More advertisements are telling Chinese consumers to love themselves by living a good life. The changing attitudes on enjoyment have been identified by numerous scholars (Zhang and Shavitt, 2003). Many advertisements that depict independent women enjoying a good life confirm this trend. These advertisements will stimulate hedonic consumption by arousing the desire for enjoying material life.

The results indicate foreign brands use the value of enjoyment more frequently than local brands. The advertisements of foreign brands often adopt foreign models to depict advanced Western lifestyle scenes, which encourages Chinese consumers to learn and live that way. Advertisements for furniture, travel, dress and accessories are more likely to apply the value of enjoyment and stimulate the dream of the consumer for the ideal home, self, and advanced lifestyles.



Figure 16 HERMES Dress Advertisement

Source: Traveler, Issue 9, 2015

Dominant value: Enjoyment

Product category: Dress and accessories



Figure 17 Mandapa Hotels & Resorts Advertisement

Source: Traveler, Issue 9, 2015

Dominant value: Enjoyment

Product category: Hotel



Figure 18 Australia Travel Advertisement

Source: Traveler, Issue 12, 2015

Dominant value: Enjoyment

Product category: Travel

Value of Social Status, Symbolic Consumption and Power Distance

The value of power distance can be explained as power hierarchy or social status. Power distance measures the unequal distribution of power, which relates with one's social position (Hsu, Woodside and Marshall, 2013). In high power distance cultures, maintaining a high social status is very important. one's social status relates with the respect from others in the society. Desiring for higher social status is normal in high power distance cultures. Therefore, social status is an effective value appeal manifest in advertising in high power distance cultures.

Advertisements of social status persuade people to believe that using the product or service will display or even raise their social positions. Social status is an old theme for the Chinese. In Confucian culture, stability of society is based on the social status system of the people. Chinese people prefer to choose the lifestyles to match social

status (Bond, 1996). Hence, consumption becomes the symbol of social status. For Hofstede (2001), high scores on power distance lead to status needs. In high power distance cultures, like China, status brands demonstrate the place of the consumer in a hierarchy. Keywords, such as elite, upper class, and luxurious lifestyle, are used in advertisements to appeal to the interest of the middle class. This strategy creates an illusion that consumers could move to a higher class by owning these status goods.



Figure 19 FOOKYIK Furniture Advertisement

Source: ELLEDECO, Issue 5, 2015

Dominant value: Social status

Product category: Furniture



Figure 21 Poltrona Frau Sofa Advertisement

Source: ELLEDECO, Issue 5, 2015

Dominant value: Social status

Product category: Furniture

Value of Accomplishment and Cultural Dimension of Masculinity

The value of accomplishment is an important characteristic of masculine culture combined with individualism. Accomplishment is a typical American cultural value, which can be traced to Protestant work ethics (Weber, 2002). Protestant work ethic advocates the benefits of hard work, which leads to an accomplishment-oriented society and is considered an important impetus for economic development in the US. (Schiffman and Wisenblit, 2014). The value of accomplishment usually associates with conspicuous consumption and consumerism. Advertisements with the theme of accomplishment are tempting for the middle class because they depict products as necessities for upper-class lifestyles. Through imitating the dresses, home decorations, and leisure activities of the middle and upper class depicted in movies, TV series, and advertisements, consumers strengthen the value of accomplishment and social status. The results suggest that Western models appear more frequently in the advertisements

with the theme of accomplishment. Among the advertisements with the theme of accomplishment, foreign brands appear are more than local brands. Wine advertisements in China mainly use the value of accomplishment to indicate wine as the drink for successful people.



Figure 22 Mercedes-Benz Advertisement

Source: Sanlian Life Week, Issue 43, 2015

Dominant value: Accomplishment

Product category: Automobile



Figure 23 Miele Home Appliance Advertisement

Source: *IDEAT China, Issue 4, 2015*

Dominant value: Accomplishment

Product category: Domestic appliances

Value of Authority Power and Value Category of Hierarchy

The value category of hierarchy includes social power, authority, influential and self-enhancement (De Mooij, 2013). In hierarchy cultures, power, resources, authority of individual distributes unequally. The whole society admires authority. Hierarchical roles are legitimate (Hsu, Woodside and Marshall, 2013). The Chinese have a tradition of trusting authority power. Numerous advertisements frequently use expert and celebrity endorsements to create a reliable impression of the product based on the trust in experts and celebrities. Several consumers may associate themselves with celebrity endorsers through ownership of endorsed products. Other consumers may consider the

product as good quality because of the positive images of the expert endorsers. According to Chan (2010), adolescents in Hong Kong frequently mentioned celebrity endorser as a factor for liking a television commercial. “Generation Y” consumers in China pay intense attention to media celebrities (Hung et al., 2011) and likely share news of their idols with friends. Celebrity endorsement increases brand awareness and consumption intention (Chan, 2013). The results in the present study suggest that domestic appliances, skincare, and watch and jewelry products in China are likely to use celebrity endorsement. Among the magazine advertisements collected in this study, 41.3% use Chinese celebrities, 37% use Western celebrities, and 17.4% use Korean celebrities.



Figure 24 HUAWEI Watch Advertisement

Source: BusinessWeek, Issue 12, 2015

Dominant value: Authority power, western celebrities

Product category: Watch



Figure 25 Panasonic Washing Machine Advertisement

Source: *TRENDSHOME*, Issue 10, 2015

Dominant value: Authority power, Chinese celebrity

Product category: Domestic appliances

4.6 Conclusions

This chapter identified the dominant values in magazine advertisements that target the Chinese middle class. The value of utility is the most frequently used value in many advertisements, especially among product categories of electronic devices, high-end watches, and skincare products. The value of enjoyment is the second most dominant value. Enjoyment was encouraged only when economic reforms were introduced in China, which is considered a collectivistic culture. People in collectivistic cultures value group goals, benefits, and needs over individual benefits. Social norms and in-group beliefs are rated prior to individual pleasures. The situation is changing, however. Lifestyle magazines targeting the middle class use a value theme of enjoyment to promote Western advanced lifestyles and stimulate hedonic consumption. Social status is the third most dominant value identified. The middle class has the strong will to express their social status via ownership of consumer goods. Advertising plays an important role as status symbol by transferring symbolic values from product

to consumers. Many status goods use the value of social status to trigger symbolic consumption. Overall, individualistic values, such as enjoyment and accomplishment, appear more frequently than collectivistic values in lifestyle magazines targeting the new middle class.

Differences exist in dominant values and product categories. Products, such as domestic appliances and skincare, favor the value of utility over other values. Wine advertisements favor the value of accomplishment over other values. Brand origins show differences on dominant values used in advertisements. Local brands use collectivistic values of kinship affection, sense of belonging, social responsibility, and authority power more frequently than foreign brands do.

Magazines with different positioning show various preferences on dominant values in advertising. Business and news related magazines favor the value of accomplishment over other values. Home decoration magazines play the role of home-style guide and recommend products to audiences, as well as most frequently use the value of utility. The main purpose of lifestyle magazines is to encourage people to try the latest lifestyle trends. Hence, advertisements in these magazines use the value of enjoyment most frequently. Positive correlations exist between magazine contents, advertising style, and value themes.

Rather than focusing on the behavior of individuals, this study has examined advertising appeals as a reflection of changing values in the society, helping us to observe dominant values and social trends in emerging markets like China.

Chapter 5 Understanding the Lifestyles of the New Urban Middle Class in China and Their Attitudes toward Advertising

Abstract

Chapter 5 compares the lifestyles of the new urban middle class in four Tier-1 cities in China. It identifies six comprehensive lifestyle factors: trendy and success-driven, “Western is best,” petty bourgeoisie lifestyle, money conscious, lifestyle of health and sustainability, and pragmatic struggling lifestyle; and further segments new urban middle-class consumers into four groups: experiencers, strivers, trendy achievers, and pragmatists. The attitudes of four lifestyle segments towards advertising have been examined. The study provides an in-depth understanding of the growing middle-class consumers in the emerging market.

5.1 Introduction and Research Questions

The lifestyles of the middle class are an important issue that appeals to various interests from the marketing and advertising research fields. The middle class is recognized as those seeking material security and paying special attention to lifestyle. For the middle class, class-consciousness is built on shared culture and lifestyle, instead of shared experience of production (Holt, 1997). The middle class admits the importance of money. However, when they work hard and acquire a certain fortune, they realize that education, profession, and ability to appreciate are also important to enter a higher class. For them, consumption is not only determined by economic condition but also influenced by the ability to appreciate. People are classified into different levels of social hierarchy according to their consumption choices. Goods around our world define who we are and our positions in society, including the place we live in, food we eat, restaurants we go to, books we read, music we listen to, and clothes we wear. However, social classes have strong mobility nowadays, and they are changing all the time.

The consumption power of the new Chinese middle class is astonishing. They desire Western advanced lifestyles. Their desires are strongly influenced by advertising. Brands often promote noble or fashionable images that imply certain social ranks, which stimulate the desires of getting rich people to identify their social status through consumption. According to Li (2013), China is enduring the transition from export orientation to domestic consumption orientation. The middle class is considered the dominant force in promoting domestic consumption and the prosperity of society (Li, 2013). Despite the importance of the middle class to economic and social development in emerging markets, few studies have been conducted on their lifestyles and consumption patterns (Song, et al., 2015). We carried out this study by examining the lifestyles among the new urban middle class in China, the largest emerging market in the world, to investigate the lifestyle differences among Chinese middle class.

The research questions to be explored are listed below:

What are the demographic characteristics of new middle class in post-reform China?

What are the dominant lifestyles of the new urban middle class in post-reform China?

What are the characteristics of different lifestyle segments of the middle class and their lifestyle preference in post-reform China?

What are the attitude differences of lifestyle segments to advertising?

5.2 Theoretical framework: VALS Scale

Value and Lifestyle Survey (VALS) framework is one of the most well-known models about lifestyles and values in consumer research (Mitchell, 1983). The design of this study is based on VALS model (Value and Lifestyle Survey) model to measure lifestyles and consumption patterns.

As introduced in chapter 2, VALS is used for lifestyle segmentation. The questions in VALS cover the categories of demographics, attitude, activity, interest, and opinion to depict the portrait of target consumers, understand consumer behavior in depth, and predict their preference. To apply VALS model to oriental countries, Strategic Business Insight (SBI) proposed the China VALS framework in 2014. In China VALS framework, Chinese consumers are divided into nine categories based on motivations and resource distribution. The characteristics of these consumer segments are introduced in section 2.3.2, chapter 2. Among nine categories, consumers in five categories have middle-level resources. They are sustainers, traditional achievers, trendy achievers, experiencers and adapters. They are supposed to be the middle-class consumers in China, which will be verified and further studied in this research. The China VALS framework offers insight to understand Chinese consumers. However, this framework has not been tested extensively in academic research. In the research, China VALS framework will be adopted and tested among Chinese middle class, to identify their lifestyle segmentations.

5.3 Method

This study uses social survey as main research method, to profile the lifestyles of the new urban middle class in four Tier-1 cities in China by examining the geographic, demographic, and psychographic characteristics of the new urban middle class to understand the middle-class consumer market in China. The research findings will offer a typological understanding on the new urban middle-class segmentation based on the analysis of their lifestyles and perceptions of advertising.

Questionnaire Design

The questionnaire contains four parts. The first part asks for demographic information, including career, educational and family background, and

financial situation. The second part asks for lifestyle-related information. The third part comprises lifestyle statements. Some questions are borrowed from the survey designed by Bourdieu (1984). Lifestyle statements are selectively adopted from Value and Lifestyle Survey (VALS) based on the culture context of China, using psychographic statements to describe social activities, interests, values, and lifestyles. The statements for lifestyle are proposed based on these criteria: relevance to Chinese consumers, material-life-related, and value to marketing research. To test the applicability of lifestyle statement to Chinese consumers, face to face interviews were conducted. The researcher interviewed 10 middle class respondents, who were recommended by friends and colleagues based on the criteria of middle class with middle-level income, white-collar jobs and at least bachelor degree. They are totally strangers to the interviewer. One-to-one interview was carried out, lasting one hour. The interviewees were asked to talk about their current material life, consumption patterns, their ideal lifestyles, to express their opinions on the lifestyle statements to be used in the questionnaire. Their attitudes to advertising were asked. After collected the comments and opinions from these interviewees, the lifestyle statements were adjusted to form the final version for survey.

All questions related to attitudes use a five-point Likert scale to indicate the extent to which an individual would agree with the statements. The language used in the questionnaire is Chinese. The English version of this questionnaire was translated by a PhD student and double-checked by a professional translator.

To test the clarity and total comprehensiveness of the questions, a pilot survey was launched to 100 respondents with a snowball sampling strategy through the online survey platform. Respondents in the pilot study sent feedback to the researcher and helped improve the holistic performance of the

questionnaire.

Sampling

Samples should be selected under certain criteria because the research is about the Chinese middle class. According to data from McKinsey Great China (2013), as of 2012, 68% of urban households in China were part of the middle class. McKinsey Great China also predicted that by 2022, 75% (approximately 630 million) of the Chinese will be part of the middle class. It defined the middle class as those with an annual household disposable income between RMB 60,000 and RMB 229,000. Middle-class households are likely to spend 50% on necessities and have consumption patterns distinctive from other income segments (Barton, 2013). In reaching the Chinese middle class, reliable data can be better gained through a professional consumer panel. Therefore, a professional online sampling database was adopted in this research. Potential respondents in this database who met the criteria received an invitation email to join the online survey. Those who accepted the invitation became the respondents of this survey. The questionnaire was created through the professional online survey platform www.wenjuan.com and distributed by iDiaoyan Consumer Research Company, who owns the survey platform. The iDiaoyan consumer research panel is the largest online sampling database in China, with 4.5 million registered user samples. iDiaoyan is a member of ESOMAR World Research. The iDiaoyan system uses IP addresses, cookies, and email addresses to prevent duplicate registrations from one person. A unique link of the questionnaire and IP address control can track the source of samples. An auto-filter algorithm helps exclude the respondents who do not match the sampling criteria and the incomplete questionnaires.

A quota sampling procedure was used according to certain stratification criteria (Breneman, Geuens and Pelsmacker, 2001). The quota variables

include city of residence, age, income, and educational background to reach the new urban middle class. Respondents were randomly selected from four Tier-1 cities in China, including Beijing, Shanghai, Guangzhou, and Shenzhen, which are the four largest cities with the largest population base, highest income, and GDP proportions. For a household to be part of the middle class, their personal monthly income level should be above 5,000 CNY. New middle-class people are different from old middle-class people in age, education, and profession. They are a young generation with ages ranging from 25 years to 40 years. New middle-class people receive better education than old middle-class people. The educational background of respondents is at least college level. These well-educated middle-class respondents are usually salaried employees who work as white collar, senior managers, IT programmers, or engineers in large companies. The respondents are completely anonymous to the researcher.

The data collection process was carried out from September 1, 2015 to September 30, 2015. In total 684 invitation requests were sent with 400 responses with valid completed questionnaires. The online survey platform carefully controlled the distribution of the quota sample volume. Data was processed through SPSS software package version 22. The demographic information of the respondents is shown below.

Table 8 Demographic Background of Respondents

Characteristic	<i>N</i>	Percentage
Gender:		
Male	200	50%
Female	200	50%
Age (years):		
25–30	100	25%
31–35	100	25%
36–40	200	50%

Education (highest degree obtained):		
College	35	8.75%
Bachelor	276	69%
Master	80	20%
Doctor and above	9	2.25%
City of Residence:		
Beijing	100	25%
Shanghai	100	25%
Guangzhou	100	25%
Shenzhen	100	25%
Total	400	100%

5.4 Results

Demographic Characteristics of Chinese New Middle Class

In numerous marketing studies, income, education and occupation are considered the most important criteria for defining the middle class. In Bourdieu's research, social stratification depends on economic capital, cultural capital and social capital (Bourdieu, 1984). Economic capital refers to one's financial power, including income, asset, and other money or property resources. Income is used most frequently. Cultural capital refers to the knowledge of legitimate culture (Bourdieu, 1984), mainly relating to educational qualification, profession, and taste. Fortune, profession, and education are interconnected. The most commonly used evidence of cultural capital is educational qualification. Social capital refers to one's interpersonal network, which is hard to measure in survey. Therefore, economic capital and cultural capital are adopted to profile Chinese new middle class in this study.

Economic capital

The demographic characteristics of the respondents showed that 42.5% of the respondents have a household monthly income between 5,000 RMB and 20,000 RMB. A total 57.5% of the respondents earn more than 20,000 RMB

per month. This percentage is beyond the income level of the middle class defined by McKinsey Great China. The research performed by McKinsey Great China (2013) suggests that the annual income level of 75% of urban Chinese consumers will reach 60,000 RMB to 229,000 RMB (US\$9,000 to US\$34,000) by 2022. This difference indicates that the economic capital of the respondents is beyond the average level predicted by McKinsey Great China.

Table 9 Economic Capital Distribution

Economic Capital	Percentage
Monthly income per capital (CNY)	
5,001–10,000	25%
10,001–15,000	25%
15,001–20,000	25%
20,001–25,000	16.25%
25,001–30,000	2.5%
Above 30,000	6.25%
Monthly Consumption level (CNY)	
Below 2,000	4.5%
2,001–4,000	12.5%
4,001–6,000	20.25%
6,001–8,000	18%
8,001–10,000	19.5%
10,001–12,000	13.25%
12,001–15,000	5.75%
15,001–20,000	3.25%
20,001–25,000	1.5%
25,001–30,000	0.25%
30,001 and above	1.25%
Private house ownership	83%
Private car ownership	75.25%
Car Price Acceptance (CNY)	
<100,000	1.5%
100,000–200,000	24.25%
200,000–300,000	32.25%

300,000–500,000	30%
>500,000	10.5%

Notes: At the time of data collection, the exchange rate was 1 US\$ = 6.3709 CNY

In this survey, 83% of the respondents have already bought a house, and 75.25% of the respondents have private cars. Private housing and cars are subtle factors when defining the Chinese middle class. Many marketing researchers consider private housing and cars as important criteria in defining the middle class. However, a paradox exists in purchasing a house. One must have certain economic capital to afford private housing. For most Chinese consumers, buying private housing means mortgage lending for 30 years, involving payment of 6% or higher in interest. This fact means that one has to spare some part of his/her monthly income to pay for the mortgage. Thus, numerous private housing owners do not consider themselves as part of the middle class, although they own apartments costing millions RMB, because little disposable income is left after they pay their monthly mortgage. The life of common people changes dramatically after they buy a house, especially in Tier-1 cities. The Chinese are still very keen on investing in real estate despite the very high price of urban housing. This phenomenon is attributed to Chinese tradition and population migration to cities. Housing property symbolizes home. The premise of starting a family is having your own apartment (home). For an unmarried man, private housing is a precondition for marriage. Marriage housing is a popular concept in real estate promotion. Purchasing private housing is a difficult decision for the new Chinese middle class. On the one hand, buying private housing means that one is entering a new life stage and acquiring a sense of safety in the city. On the other hand, one may lose economic freedom because he/she is bound by a housing mortgage for 30 years. Private housing places direct the influences on consumption of the urban middle class.

Private car ownership symbolizes success and social status (Katherine, 2009). Middle-sized cars are the most popular cars among the new urban middle class. A total 32.25% of the respondents accept the cars priced between 200,000 CNY and 300,000 CNY, while 30% accept the cars priced between 300,000 CNY and 500,000 CNY. In fact, the average price of a car in China is around 170,000 CNY. The car price acceptance of the new urban middle class is higher than the average level. From the crosstab analysis of monthly income and car price acceptance, a general trend shows that high-salaried people tend to purchase high-priced cars. However, some people who earn middle or even low-level salaries also desire premium cars. For the new urban middle class, the symbolic meanings of the cars may show stronger influence than functional meanings.

Table 10 Crosstab of Monthly Income and Car Price Acceptance

Car Income (CNY)	<100,000	100,000– 200,000	200,000– 300,000	300,000– 500,000	>500,000
5,001–10,000	4%	39%	35%	16%	2%
10,001–15,000	2%	34%	34%	24%	4%
15,001–20,000	0	13%	38%	35%	14%
20,001–25,000	0	12.3%	24.6%	46%	17%
25,001–30,000	0	20%	0	60%	20%
>30,000	0	4%	24%	36%	36%

Notes: At the time of data collection, the exchange rate was 1 US\$ = 6.3709 CNY

The geographic differences of new middle class and their demographic characteristics are also examined.

First, the distribution of personal monthly income and consumption power among the four cities has significant differences. The respondents in Guangzhou and Shenzhen have higher incomes than those in Beijing and Shanghai. The respondents in Shenzhen earn the highest incomes. Most

Shenzhen respondents claim they earn 15,000–25,000 CNY per month. A total 15% of Shenzhen respondents earn more than 30,000 CNY per month. The consumption powers of the respondents from the four cities are also different. Shenzhen respondents show the strongest consumption power. Most of them spend 8,000–20,000 CNY per month for daily consumption. These Tier-1 cities do not lack high-consumption groups who spend 30,000 CNY and above monthly. The Spearman correlation value of monthly income level and consumption level is .521, indicating the relevance stating that those who attain high incomes usually consume more. No significant difference exists in the proportion of house ownership. Regardless of the city in China, purchasing a real estate property is an important working goal. Private car ownership proportions and price acceptance levels indicate an obvious difference. Respondents in Beijing and Shanghai prefer economy and middle-sized cars with prices below 300,000 CNY, whereas many respondents in Guangzhou and Shenzhen prefer expensive cars above 300,000 CNY and even luxury cars above 500,000 CNY.

Table 11 Economic Capital Comparison of Beijing, Shanghai, Guangzhou, and
Shenzhen

Economic capital	Beijing	Shanghai	Guangzhou	Shenzhen	Chi square values	p Value
Monthly income (per capital) (CNY)						
5000 and below	0%	0%	0%	0%	143.4	.000 ***
5,001–10,000	33%	46%	15%	6%		
10,001–15,000	39%	36%	16%	9%		
15,001–20,000	19%	9%	33%	39%		
20,001–25,000	7%	4%	27%	27%		
25,001–30,000	0%	0%	6%	4%		
Above 30,000	2%	5%	3%	15%		
Monthly Consumption						
Below 2,000	0%	6%	2%	10%	92.56	.000 ***
2,001–4,000	18%	14%	13%	5%		
4,001–6,000	33%	26%	13%	9%		
6,001–8,000	20%	22%	22%	8%		
8,001–10,000	18%	14%	20%	26%		
10,001–12,000	6%	14%	12%	21%		
12,001–15,000	1%	0%	10%	12%		
15,001–20,000	0%	2%	4%	7%		
20,001–25,000	2%	2%)	1%	1%		
25,001–30,000	0%	0%	1%	0%		
30,001 and above	2%	0%	2%	1%		
House ownership	77%	86%	87%	82%	15.547	.213
Car ownership	71%	62%	87%	81%	19.585	.000 ***
Car Price Acceptance (CNY)						
<100,000	1%	4%	1%	0%	49.81	.000 ***
100,000–200,000	32%	30%	18%	17%		
200,000–300,000	34%	36%	32%	27%		
300,000–500,000	24%	23%	35%	38%		
>500,000	7%	4%	13%	18%		

Notes: Significance: *p < 0.1; ** p < 0.05; *** p < 0.01

At the time of data collection, the exchange rate was 1 US\$ = 6.3709 CNY

Cultural capital

The demographic characteristics of the respondents showed that the majority of middle class respondents in this study were well-educated (bachelor or

above, 91.25%). The distributions of education levels attained by respondents from the Tier-1 cities have significant differences. More than 30% of the respondents in Shenzhen had attained postgraduate education, which is the highest among the four cities. Relatively, 90% of the respondents in Shanghai only attained college and bachelor degrees.

The distributions of professionals are slightly different among the four cities, as explained by the business models of these cities. All these Tier-1 cities are developing the Internet, finance, and trade industries; therefore, the high-income professions become similar.

Table 12 Education Comparison of Beijing, Shanghai, Guangzhou, and Shenzhen

Educational level	Beijing	Shanghai	Guangzhou	Shenzhen	Chi - square values	p-Value
Below College	0	0	0	0	20.4	.000 ***
College	6%	12%	12%	5%		
Bachelor	66%	78%	68%	64%		
Master	26%	8%	17%	29%		
Doctor and above	2%	2%	3%	2%		

Notes: Significance: *p < 0.1; ** p < 0.05; *** p < 0.01

Table 13 Profession Comparisons of Beijing, Shanghai, Guangzhou, and Shenzhen

Major Professions Top 5 in total	Beijing	Shanghai	Guangzhou	Shenzhen	Chi - square values	p-Value

Manager 30.25%	Manager 27% IT practitioner 15%	Manager 30% IT practitioner 16%	Manager 33% Self-employed 11% IT practitioner 9%	Manager 31% IT practitioner 14% Self-employed 11% CEO 7% Medical staff 5% Administrator 5%	92.11	.033 **
IT practitioner 13.5%	Self-employed 8%	Office worker 12%	Office worker 8%			
Self-employed 8%	Office worker 7%	Human resource 8%	Administrator 7%			
Office worker 6.75%	Human resource 6%	Administrator 7%				
Administrator 5.5%	Salesperson 6%					
	Financial staff 6%					

Notes: Significance: *p < 0.1; ** p < 0.05; *** p < 0.01

Factor Analysis: Profiling the Lifestyles of the Emerging Chinese Middle Class

In order to have a preliminary understanding of the respondents on their lifestyle preference, descriptive statistics were conducted to show the mean scores of lifestyle statements. The means of lifestyle statements are listed in Table 4. All the means are greater than 3, reflecting the positive attitudes of the respondents toward the lifestyle statements.

According to the results, 69.25% of the respondents long for the lifestyle in developed countries. A total 81.25% of the respondents want to live a romantic life. Among those who strongly agree with these statements, middle-income people account for a large portion. These middle-level people prefer Western, fashionable, and romantic lifestyles. More than 75.75% of the respondents enjoy the life of the petty bourgeoisie. Young respondents aspire for this lifestyle more compared with old respondents. Numerous respondents hold a neutral attitude between fashion and utility. Middle-level people show a strong interest in a healthy diet. They are selective about food

and are eager to attempt new food materials. Elderly respondents prefer a healthy diet more than young respondents.

Table 14 Means of Lifestyle Statements

Lifestyle Statements	Mean	Std. Deviation
I long for the lifestyle of developed countries.	3.885	.9322
I enjoy the feeling of attracting attention.	3.765	.9986
I want to live a romantic life.	4.142	.7866
I prefer fashionable, trendy, and novel things among my friends.	3.762	.9765
Between popularity and utility, I prefer popularity.	3.637	1.0411
I am an early adopter of the latest products among my friends.	3.870	.9166
I prefer healthy food.	4.268	.8383
My friends often ask me about how to live a good life.	3.743	.9399
I often read fashion magazines.	3.918	.9737
I often follow fashion opinion leaders in social media platforms.	3.788	1.0124
I often compare the prices between similar products before purchase.	3.810	.9546
I often select the highly cost-effective product.	3.993	.8997
I often choose products of famous brands.	4.122	.8511
Among products in the same category, foreign brands are my preference.	3.733	.9017
I enjoy the life of the petty bourgeoisie.	4.032	.8143
I pursue individuality.	3.993	.8969
I have high expectations of my achievement.	4.057	.8129
I am cautious about spending.	3.332	1.0318
Money is the best criterion for success.	3.530	1.0616
I desire a traveling life.	4.185	.8200
I prefer traveling abroad than domestic travel.	3.875	.8696
I like the clothes and bags of luxury brands.	3.708	1.0510
I often feel stressed and find it difficult to relax and enjoy life.	3.398	1.1781

Notes: 1 = Strongly disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly agree.

(N = 400)

A total 71% of the respondents say that they are early adopters of new innovative products. They like to try new things, especially digital devices and high-tech health care appliances. Brand is important for them. A total 80.5% of the respondents say that they usually prefer famous brand products. Middle-level people are important in leading the trend toward mass consumption. Therefore, many car clubs, wine clubs, or jewelry clubs use the lifestyle and social network of the middle class to promote their products.

A total 84% of the respondents would like to travel in their leisure time. Travel is very popular among the middle class. Most Chinese want to travel when they have holidays. According to the choice of travel destination, some prefer destinations abroad. In our survey, 68% of the respondents prefer traveling abroad, and people aged between 25 and 30 years show even stronger interests in traveling abroad. The purposes of travel are various: shopping, sightseeing, and cultural experiences. People with rich cultural capital want to gain in-depth experience and inner explorations through travel.

The new middle class desire success and social status. A total 81.25% of the respondents have high expectations of their achievement. They gain satisfaction from their influence and are thus willing to become leaders of groups or circles. A total 67.5% of the respondents enjoy the feeling of attracting others' attention. They hope to be role models and influence the lifestyles in peer groups. Taste is the identifier of the middle class. Compared with the nouveau riche who have numerous luxurious goods, middle-class people want to express their taste through their understanding of products and brand values.

In order to further summarize the underlying constructs related to various lifestyle items and to reduce them to more understandable lifestyle factors,

principal component factor analysis was performed on the lifestyle variables. The main purpose of factor analysis is to examine the structure in the relationships between the variables of lifestyle statements (Zhou and Huang, 2016). A three-step procedure was constructed for statistical analysis to profile the lifestyles of the new urban middle class in China. First, principle component factor analysis was applied to extract the key lifestyle factors (Wei, 1997). Second, cluster analysis was used to group the respondents based on the results of factor analysis. The purpose of cluster analysis was to sort the respondents into consumer segments with shared similar lifestyles. According to the results of Kaiser-Meyer-Olkin (KMO) and Bartlett's test, the sampling of this survey is adequate for conducting factor analysis. The significance of Bartlett's test is below 0.01, which indicates a significant correlation among these variables (Field, 2009; Hair et al., 2010).

Table 15 KMO and Bartlett's test

KMO Measure of Sampling Adequacy		.903
Bartlett's test of Sphericity	Approx. Chi-Square	2927.036
	df	300
	Sig.	.000

In this study, principal component analysis with Varimax rotation was used to extract to underlying factor, following with Kaiser normalization. Table 16 presents the factor analysis results of the lifestyle and consumption preference of the respondents. Six comprehensive common factors are extracted through factor analysis. To determine whether any item should be included in a certain factor, a rotated factor cut-off value of 0.5 was adopted. Rotation converged in 10 iterations. The Cronbach's alphas of the factors ranged from .70 to .80, and deleting variables from each factor did not

increase the alpha values, which indicated good internal consistency of the six-factor result. Factors with an eigenvalue greater than 0.9 were retained for further interpretation. This factor solution explains 58.099% of the variation.

By examining the factor pattern with regard to the common meaning of the items represented, six lifestyle factors were labeled “trendy and success-driven” (8 items included), “western is best lifestyle” (4 items included), “Xiaozi lifestyle” (3 items included), “money-conscious lifestyle” (4 items included), “LOHOS” (3 items included), “pragmatic struggling lifestyle” (2 items included) respectively.

Table 16 Rotated Factor Analysis of Lifestyle Indicators

Lifestyle Statement	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
<i>Trendy and success-driven</i>						
I am an early adopter of the latest products among my friends.	.761	.208	-.020	.020	.138	-.065
I prefer fashionable, trendy, and novel things among my friends.	.704	.213	.120	-.061	.241	.094
I pursue individuality.	.661	.054	.388	.056	-.044	-.005
Between popularity and utility, I prefer popularity.	.629	.264	.107	-.101	.075	.258
I enjoy the feeling of attracting attention.	.617	.233	.312	.000	-.006	.111
I have huge expectations on my achievement.	.588	.040	.145	.246	.151	-.114
My friends often ask me about how to live a good life.	.546	.281	.001	.075	.285	-.047
I like the clothes and bags of luxury brands.	.502	.456	.154	-.072	.266	.038
<i>“Western is best” lifestyle</i>						
I prefer travelling abroad more than domestic travel.	.113	.701	.125	.123	.077	.070
I long for the lifestyle of developed countries.	.233	.676	.066	.062	.040	.122
Among products in the same category, I prefer foreign brands.	.253	.652	-.021	-.183	.075	.171
I often choose products from famous brands.	.164	.536	.295	-.045	.284	-.232
<i>Xiaozi lifestyle</i>						
I want to live a romantic life.	.162	.087	.750	-.006	.165	.147
I desire a traveling life.	.179	.120	.688	.050	.220	.013
I enjoy the life of the petty bourgeoisie.	.322	.408	.437	.155	-.152	-.090
<i>Money-conscious lifestyle</i>						
I often select the highly cost- effective product.	.025	-.055	.118	.780	.044	-.005
I often compare the prices between similar products before purchase.	.112	.083	.036	.779	-.008	.100

I am cautious about spending.	-.097	-.002	-.180	.599	.166	.464
<i>LOHOS</i>						
I prefer healthy food.	.061	.184	.387	.167	.655	-.114
I often follow fashion opinion leaders in social media platforms, such as Weibo* and Wechat Moments*.	.494	.118	.034	.026	.618	.147
I often read fashion magazines.	.441	.062	.158	.013	.585	.017
<i>Pragmatic struggling lifestyle</i>						
I often feel stressed and find it difficult to relax and enjoy life.	-.029	-.020	.030	.306	.007	.729
Money is the best criterion for success.	.168	.316	.150	-.082	-.051	.637
Eigenvalue	6.621	2.086	1.490	1.245	.987	.933
Variance explained	17.384	10.933	8.259	8.148	7.121	6.254

Notes: 1 = Strongly disagree; 2 = Disagree; 3 = Don't matter; 4 = Agree; 5 = Strongly agree. (N = 400)

Extraction Method: Principal Component Analysis

Rotation Method: Varimax with Kaiser Normalization

Rotation converged in 10 iterations.

*Weibo: China-based microblogging service

*WeChat Moments: a function in WeChat, the most popular mobile text and voice messaging communication service in China. It enables users to post images and texts and share music, videos, and articles in Moments. Only users' friends in WeChat can view contents in Moments.

Factor 1 is trendy and Success-driven Lifestyle. This factor measures the lifestyle characteristics of trendy and success driven. High-scoring factors indicate novel, fashionable lifestyles. People who agree with the factors want to be considered special. They are eager to be the focus of attention among friends. They enjoy the feeling of being opinion leaders, giving advice to friends about living a good life or about consumption choices. They have strong motivation in seeking information about fashion and brands and acquiring knowledge about lifestyle and taste.

The second lifestyle factor is “Western is best.” People showing this characteristic tendency desire advanced Western lifestyles. They have a strong demand for imported products. Most fashion magazines hire foreign models to introduce fashion products. Caucasian-fronted advertisements are frequently shown in mainstream TV channels. Even local brands prefer to use English brand names and hire Caucasian models to show a Western- or European-style brand identity. Consumers think that products from the West are always better than local products. They are sensitive to brands. They consider foreign brands as having good quality and local brands as having poor quality.

Factor 3 is “Xiaozi” lifestyle, containing three lifestyle items. “Xiaozi” has been a popular word in China since the 1990s. Its literal meaning is “petty bourgeoisie,” referring to the Chinese urban tribe who pursue material and spiritual pleasures. They usually have at least college qualification, white-collar job, and good salary. They are experiencers, pursuing inner experience and an artistic and romantic lifestyle. Taste is considered an important distinction between “Xiaozi” and the “middle class.” Many young people enjoy living a “Xiaozi” lifestyle and share their lifestyles on social networking sites and blogs. Some of them are proud of being “Xiaozi.” Some people desire to live a “Xiaozi” life. The popularity of “Xiaozi” can be seen

as a cultural and marketing phenomenon.

Factor 4 is money-conscious Lifestyle, including four lifestyle statements about money and spending, showing the consumption patterns for some people. The respondents who scored high in these items pursue cost performance in consumption. They are cautious about spending and sensitive with price.

Factor 5 is Lifestyles of Health and Sustainability (LOHOS for abbreviation). The LOHOS factor includes three items: healthy food, active social media use, and the habit of reading fashion magazines.

Factor 6 is pragmatic Struggling Lifestyle, including only two statements concerning the struggling situation of living and the strong desire to make money. This factor is labeled as “pragmatic struggling.” It represents the lifestyle of some of the working middle class. Compared with rich people who enjoy life, the working middle class find difficulty in relaxing and enjoying life because they must work hard and make money under stress. They start to feel happy and relaxed and start to enjoy life after they acquire enough money. As the best criterion for success, money is a recent emerging value.

The findings in the factor analysis elaborate the different lifestyles emerging in urban cities in China nowadays. Some factors have been identified in the Western societies, whereas some are typical Chinese lifestyles that must be further identified. These key factors can be used to cluster the respondents into different lifestyle groups and identify their lifestyle tendencies and consumption patterns.

Cluster Analysis

In order to examine the lifestyle features of new middle class in China, and profile subgroups among them, cluster analysis was adopted to group respondents into lifestyle clusters. Factor scores on the six key lifestyle

factors were embedded into the cluster analysis. The cluster analysis procedure followed cross validation approach suggested by Hair et al. (2010), using hierarchical method “ward Linkage, Squared Euclidean Distance” to determine the number of segments. Cluster solutions for four and five clusters were compared to select the best cluster solution based on the degree of interpretation. The four-cluster solution was finally emerged. Then non-hierarchical K-means cluster analysis was adopted to identify the size and characteristics of the four lifestyle clusters. The iteration history is 15 in K-means cluster analysis. The mean differences of lifestyle factors between four clusters were then compared using a one-way analysis of variance (ANOVA). The results are reported in Table 17. Cluster center scores on the Lifestyle Factors display in Table 18. The cluster center scores on the lifestyle factors indicate the lifestyle attitudes of the respondents in different clusters. The scale of lifestyle factors is shown as follows: 5 = strongly agree and 1 = strongly disagree. A high positive cluster center score means strong agreement, and a negative cluster center scores with a high absolute value means strong disagreement. Mean scores of lifestyle factors between four clusters and cluster center scores can be used together to explain the lifestyle dispositions of four lifestyle clusters.

Table 17 ANOVA-Cluster Analysis Results for Lifestyle Factors

Lifestyle Statement	Experiencers n=132		Strivers n=91		Trendy achievers n=150		Pragmatists n=27		F value	P value
	Mean	Std. Deviation	Mean	Std. Deviation	Mean	Std. Deviation	Mean	Std. Deviation		
<i>Trendy and success-driven</i>										
I am an early adopter of the latest products among my friends.	4.023	.6820	3.055	.8348	4.413	0.569	2.852	1.0267	89.882	.000
I prefer fashionable, trendy, and novel things among my friends.	3.902	.5908	2.857	.8242	4.420	.6050	2.481	1.1222	126.663	.000
I pursue individuality.	4.068	.7225	3.319	.7729	4.507	.5992	3.037	1.2242	65.432	.000
Between popularity and utility, I prefer popularity.	3.674	.8242	2.714	.8204	4.333	.6919	2.704	1.2030	88.796	.000
I enjoy the feeling of attracting attention.	3.826	.8242	3.077	.9455	4.373	.5969	2.407	1.0099	78.885	.000
I have huge expectations on my achievement.	4.106	.6908	3.549	.8467	4.460	.5750	3.296	.9533	42.086	.000
My friends often ask me about how to live a good life.	3.856	.7324	3.077	.7338	4.273	.7588	4.273	.7588	74.547	.000
I like the clothes and bags of luxury brands.	3.629	.7455	3.176	.9380	4.467	.5754	4.467	.5754	138.201	.000
<i>“Western is best” lifestyle</i>										
I prefer travelling abroad more than domestic travel.	3.629	.7657	3.747	.8768	4.373	.6298	2.741	.7642	48.823	.000
I long for the lifestyle of developed countries.	3.621	.7769	3.615	.8663	4.500	.6528	2.667	.9608	63.497	.000
Among products in the same category, I prefer foreign brands.	3.417	.7520	3.418	.8309	4.353	.6769	2.889	.8916	58.170	.000
I often choose products from famous brands.	4.053	.7024	3.835	.8064	4.593	.5919	2.815	1.0014	57.390	.000
<i>Xiaozhi lifestyle</i>										
I want to live a romantic life.	4.144	.7427	3.901	.7462	4.467	.5983	3.148	.9488	31.663	.000
I desire a traveling life.	4.159	.7798	3.923	.8331	4.553	.5500	4.553	.5500	34.588	.000

I enjoy the life of the petty bourgeoisie.	3.932	.6901	3.681	.7285	4.493	.6630	3.148	.9488	43.459	.000
<i>Money-conscious lifestyle</i>										
I often select the highly cost- effective product.	3.985	.8994	4.044	.6978	4.047	.9989	4.047	.9989	2.432	.065
I often compare the prices between similar products before purchase.	3.879	.8199	3.692	.8906	3.940	.9982	3.148	1.2311	6.175	.000
I am cautious about spending.	3.311	.9421	3.418	.8174	3.347	1.2095	3.074	1.0350	.799	.495
<i>LOHOS</i>										
I prefer healthy food.	4.318	.7238	3.890	1.0050	4.620	.5267	3.333	.9608	32.578	.000
I often follow fashion opinion leaders in social media platforms, such as Weibo* and Wechat Moments*.	4.053	.7343	2.945	.9471	4.307	.6445	2.444	1.1209	87.507	.000
I often read fashion magazines.	4.114	.7581	3.220	.9405	4.373	.6908	2.778	1.1875	58.104	.000
<i>Pragmatic struggling lifestyle</i>										
I often feel stressed and find it difficult to relax and enjoy life.	3.258	1.1366	3.451	.8977	3.540	1.3393	3.111	1.1875	1.960	.120
Money is the best criterion for success.	3.235	1.0327	3.275	1.0007	4.073	.8754	2.815	1.0755	26.646	.000

Notes: 1 = Strongly disagree; 2 = Disagree; 3 = Don't matter; 4 = Agree; 5 = Strongly agree. (N = 400)

*Weibo: China-based microblogging service

*WeChat Moments: a function in WeChat, the most popular mobile text and voice messaging communication service in China. It enables users to post images and texts and share music, videos, and articles in Moments. Only users' friends in WeChat can view contents in Moments.

Table 18 Cluster Center Scores on the Lifestyle Factors

	Experiencers n=132	Strivers n=91	Trendy achievers n=150	Pragmatists n=27
Trendy and success driven	0.264	-1.096	0.612	-0.999
Western is best	-0.479	-0.021	0.682	-1.377
Xiaozhi lifestyle	-0.068	-0.108	0.3	-0.965
Money-conscious	0.03	0.081	0.014	-0.497
LOHOS	0.249	-0.398	0.19	-0.931
Pragmatic struggling	-0.169	-0.053	0.197	-0.088

We can profile each lifestyle segment based on their mean scores on the lifestyle statements in Table 17, cluster center scores on the lifestyle factors in Table 18 and demographic information of each segment in Table 19.

Experiencers (33 percent). This group scored highly on “Trendy and success driven” and “LOHOS.” They scored relatively low on “Western is best” and “Pragmatic struggling lifestyle”. These respondents were labeled as “experiencers,” because they strongly agree with pursuing trendy, healthy, romantic lifestyles but do not consider Western brands and products as the only choice. This group comprises 53.8% male and 46.2% female; 28.8% of them living in Guangzhou, 28% of them living in Shenzhen, 22% of them living in Shanghai and 21.2% living in Beijing. 73.5% of them hold a bachelor degree. This group has a middle level of income and education among four groups.

Strivers (22.75 percent). This group scored positively on the lifestyle factor of “money conscious” and negatively in the lifestyle factors of “trendy and success driven” and “LOHOS.” These respondents were labeled as “strivers,” because they agree with hard work, desire for success, cautious spending lifestyle and disagree with hedonist lifestyles. This group comprises 49.5%

male and 50.5% female; 35.2% living in Beijing; 24.2% of them living in Shanghai; 20.9% of them living in Shenzhen, 19.8% of them living in Guangzhou. 69.2% of them hold a bachelor degree. This group has a relatively low level of income and education compared with the other groups. *Trendy Achievers (37.5 percent)*. It is the largest segment. The cluster center scores on the lifestyle factors are all positive. They scored highly in “Western is best” and “trendy and success driven.” Therefore, these respondents were labeled as “trendy achievers.” This group comprises 47.3% male and 52.7% female. 28.7% of them living in Shanghai; 26.7% of them living in Guangzhou, 25.3% of them living in Shenzhen, and 19.3% living in Beijing. 64% of them hold a bachelor degree and 25.3% of them hold master degree. This group has a relatively high level of income and education compared with the other groups.

Pragmatists (6.75 percent). It is the smallest segment. The cluster center scores on the lifestyle factors are all negative. They scored negatively high in “Western is best” and “trendy and success driven,” which means they do not consider trendy lifestyles and Western brands as very important in their lives. According to the mean scores on lifestyle statements we can see that these respondents desire for a good life and they hope to travel, they do not care about fashion information and popularity, they pay most attention on high cost-effective products, rather than brand, trend or fame. They hold a “don’t matter” attitude on those lifestyle statements in general. They are pragmatic in showing lifestyle tendencies. These respondents were labeled as “pragmatists.” This group comprises 48.1% male and 51.9% female; 40.7% living in Beijing; 22.2% of them living in Shanghai; 22.2% of them living in Shenzhen, 14.8% of them living in Guangzhou. 74.1% of them hold a bachelor degree. This group has a relatively low level of income compared with the groups of experiencers and trendy achievers.

Table 19 Summary of Demographic Characteristics of Four Lifestyle Segments

	Experiencers n=132	Strivers n=91	Trendy achievers n=150	Pragmatists n=27
City:				
Beijing	21.2%	35.2%	19.3%	40.7%
Shanghai	22.0%	24.2%	28.7%	22.2%
Guangzhou	28.8%	19.8%	26.7%	14.8%
Shenzhen	28.0%	20.9%	25.3%	22.2%
Gender:				
Male	53.8%	49.5%	47.3%	48.1%
Female	46.2%	50.5%	52.7%	51.9%
Age (years)				
25–30	22.0%	25.3%	26.0%	33.3%
31–35	25.8%	34.1%	20.0%	18.5%
36–40	52.3%	40.7%	54.0%	48.1%
Education				
College	7.6%	14.3%	8.0%	0.0%
Bachelor	73.5%	69.2%	64.0%	74.1%
Master	15.9%	15.4%	25.3%	25.9%
Doctor and above	3.0%	1.1%	2.7%	0.0%
Monthly income (CNY)				
5,001–10,000	25.0%	34.1%	20.0%	22.2%
10,001–15,000	20.5%	28.6%	24.7%	37.0%
15,001–20,000	27.3%	17.6%	28.7%	18.5%
20,001–25,000	19.7%	11.0%	17.3%	11.1%
25,001–30,000	2.3%	2.2%	3.3%	0.0%
30,000 and above	5.3%	6.6%	6.0%	11.1%

Discriminant analysis: Attitudes of Lifestyle Segments to Advertising

To get a preliminary understanding on the general attitudes of four lifestyle segments to advertising, descriptive statistics was used and the results are presented in Table 20. The respondents in this study hold positive attitudes

toward advertising in general. Four lifestyle clusters have similar experiences in purchasing products because of advertisements. Differences exist in the level of advertising likability and brand experience. Trendy achievers show strong favor and support on advertising. They share the experiences of loving brands because of advertisements. Experiencers and strivers show favorable impression on advertising, but not as strong as trendy achievers do. Pragmatists show a relatively negative attitude on advertising. Although they admit that advertising has changed their life to some extent, pragmatists do not show considerably strong feelings about advertising. Their attitude toward advertising is just acceptable.

Table 20 Attitudes of Consumer Segments Toward Advertising

Attitudes on advertising	Experiencers n=132	Strivers n=91	Trendy achievers n=150	Pragmatists n=27	Chi - square values	p value
Used to purchase because of advertisement	118 (89.4%)	85 (93.4%)	143 (95.3%)	23 (85.2%)	5.556	.135
Used to like a brand because of advertisement	117 (88.6%)	76 (83.5%)	140 (93.3%)	15 (55.6%)	30.213	.000 ***
Strongly like advertisements	28 (21.2%)	9 (9.9%)	63 (42.0%)	3 (11.1%)	46.108	.000 ***
Advertisements are acceptable	94 (71.2%)	73 (80.2%)	81 (54.0%)	19 (70.4%)		

Notes: Significance: *p <0.1; **p <0.05; ***p<0.01

To get further understanding on the attitude differences of each cluster, multivariate stepwise discriminant analysis was used to confirm four consumer clusters on attitudes toward advertising. 18 attitudinal variables of advertising items were put in as original variables. After a stepwise procedure, 12 attitudinal variables were eliminated because they lacked satisfactory discriminating power. A total 6 out 18 attitudinal variables were left for sufficient discriminating power. Three discriminant functions were proposed

to discriminate the four clusters according to their attitudes on advertising. Table 21 shows that Function 1 is statistically significant. High values of function 1 are associated with overall positive attitudes toward advertising. These attitudes are “the desire to live the lifestyle shown in advertisements,” “willingness to share good advertisements with friends,” “believe in the quality of product because of advertisements,” “the priority to choose the product seen in advertising,” “the special attention to advertisements,” and “the role of advertising in leading fashion trends.” Function 1 can be described as “positively changing,” given that advertising plays an active role in changing the lifestyles of the respondents. Function 1 explains the largest proportion (96.2%) of the total variance.

Meanwhile, Function 2 is highly valued in “the special attention to advertisements” and “the priority to choose the product seen in advertising,” but negatively high in “believe in the quality of product because of advertisements” and “the role of advertising in leading fashion trends.” The results indicate the attitude of accepting advertising as an important information source, but not completely trusting the advertisements. Function 2 is described as “informing,” because advertising merely plays the role of information deliverer. Function 2 can explain a small proportion (2.8%) of the total variance.

The high values of Function 3 are associated with positive views on “the special attention to advertisements,” “the role of advertising in leading fashion trends,” and “the desire to live the lifestyle shown in advertisements.” However, negative views are shown in “the priority to choose the product seen in advertising,” “willingness to share good advertisements with friends,” and “believe in the quality of product because of advertisements.” For Function 3, respondents consider advertising as a lifestyle guide, rather than an information source to know about products. Function 3 can be described as

“influencing,” given that advertising shows a certain influence on leading trends and individual lifestyle formation, but show little influence on purchase decision making. Function 3 explains a very small proportion (0.9%) of total variance with the lowest statistical significance.

Table 21 Multivariate Discriminant Analyses of Attitudes toward Advertising

Statements	Function 1	Function 2	Function 3
I will pay attention to the advertisements in newspaper and magazines.	.292	.614	.750
Advertising plays an important role in leading fashion trends.	.313	-.374	.636
I will expect to become the protagonist who lives the lifestyles shown in the advertisements.	.468	.054	.255
After watching an advertisement of good quality, I will believe in the quality of the product.	.391	-.977	-.265
I usually purchase the products and brands I have seen in related advertisements.	.335	.571	-.801
I share good advertisements in my social networking sites (Wechat Moment and Weibo).	.298	.111	-.492
Eigenvalue	.792	.022	.008
Variance explained	96.2	2.8	.9
Canonical correlation	.665	.151	.086
Wilks's lambda	.541	.970	.993
Significance	.000	.279	.566

Notes: Scale: 1=Strongly disagree, 2=Disagree; 3=Neutral, 4=Agree, 5=Strongly agree.

(N=400)

Based on the interpretation of three functions, the attitudes of different clusters on advertising can now be profiled. The coefficients Table 22 are used to determine the variable that is affected more in the clusters. A comparison of the values of the four clusters reveal that a higher coefficient means the variable is attributed more for the cluster. All four clusters show the highest value on the second variable, which is “the role of advertising in leading fashion trends.” Hence, most of the respondents agree that

advertising plays an important role in leading fashion trends and guiding their lifestyles. Cluster 3 trendy achievers show the strongest support for these six variables. Cluster 4 pragmatists show relatively weak support on advertising.

Table 22 Classification Function Coefficients on the Attitudes of Clusters toward

Statements	Advertising			
	Experienc ers n=132	Strivers n=91	Trendy achievers n=150	Pragmatis ts n=27
I will pay attention to the advertisements in newspaper and magazines.	2.263	1.758	2.490	2.003
Advertising plays an important role in leading fashion trends.	4.681	4.232	4.790	3.849
I will expect to become the protagonist who lives the lifestyles shown in the advertisements.	2.804	2.243	3.177	1.940
After watching an advertisement of good quality, I will believe in the quality of the product.	3.124	2.812	3.355	1.874
I usually purchase the products and brands I have seen in related advertisements.	3.993	3.766	4.507	3.729
I share good advertisements in my social networking sites (Wechat Moment and Weibo).	1.340	1.114	1.699	.873
Constant	-36.931	-29.030	-44.210	-24.967

Method: Fisher's linear discriminant functions

5.5 Discussion

The Portraits of the Urban Middle Class in post-reform China

In examining the economic and cultural background of the new urban middle class living in urban China, the economic and cultural capitals of the respondents were compared to check whether significant differences of economic and cultural capitals exist in the four Tier-1 cities.

Cultural capital refers to the knowledge of legitimate culture (Bourdieu, 1984), mainly relating to educational qualification, profession, and taste. Fortune, profession, and education are interconnected. After accumulating

enough economic capital, the middle class needs some legitimation of their social status. Cultural legitimation can help them be approved by society. In addition, education influences personal career and subsequent wealth accumulation in the free economy era. Personal consumption preference and taste are also determined by cultural capital.

The most commonly used evidence of cultural capital is educational qualification. In the 21st century, a bachelor's degree or higher is an essential criterion for the middle class. Most of the new urban middle class have good educational background. Data show that 91.25% of the respondents are university graduates or have higher degrees. They are well educated and live on salary. Owing to the open and reform policy implemented in 1978, common people were allowed to engage in private business. Some families became rich through self-employed businesses, so their children grew up in better economic conditions and had increased opportunities for higher education. These well-educated generations are the post-80s and post-90s generations, with age distributions ranging from 20 years to 35 years. They are defined as the new middle class by the media and consulting groups. They study hard and work hard to acquire fortune and achievement. The taste of these new generations is merely inherited from their family but is learned from the media and their living environment. They always adjust their lifestyle to keep updated with the age.

Profession is another indicator of cultural capital. Mills (2002) analyzed the middle class in the US and proposed the concept of "white collar" to explain the new middle class in Western industrial society. The old Chinese middle class refers to those who own the means of production and have economic independence, including private entrepreneurs and self-employed people. The new urban middle class are "salaried" employees who receive higher education, have a decent job, and depend on large corporations and

institutions, including senior managers, administrative officers in governments, doctors, engineers, designers, technicians with professional qualification, and teachers. Knowledge is their capital. In the digital era, new professions emerge, requiring many well-trained programmers, product managers, designers, and marketing experts. These professions are highly educated and high-salaried.

Education and decent careers cultivate the middle class to decipher cultural value and choose appropriate lifestyles. Nowadays, most elites in China absorb Western and traditional culture through advertising and then develop their own lifestyles. They are the role models for the lower class. The opinions of cultural elites dictate new lifestyle trends, change the attitude of the public, and influence mass consumption (Lu, 2011). Their lifestyles are often imitated by those who want to enter a higher class. The elite culture is popular, especially in urban China. The images of the elite class are used frequently in advertisements to stimulate consumers' desire for possession.

The Dominant Lifestyles of the New Urban Middle Class in Post-Reform China

Six dominant lifestyle directions have been confirmed in this study.

Factor 1: Trendy and Success-driven Lifestyle

Fashion is the concept between classic and fad. Fashion usually originates from the upper class and then becomes a referential lifestyle of the lower class. Fashion consumption is not only a type of consumer behavior or a way of life but also a kind of consumer culture. Fashion consumption reflects the manner in which people follow and imitate some trends to consume. Fashion consumption is related to cultural behavior. Fashion is not only about materials but also about spiritual enjoyment and self-actualization, which can influence the self-image and self-identity of an individual. Fashion as

advertising theme is tested as effective in influencing purchase decisions in China (van der Lans, van Everdingen & Melnyk, 2016). For most Chinese consumers, fashion is a Western concept. When they talk about fashion, they always refer to American or European fashion trends. Mass media and advertising play significant roles in diffusing the concept of fashion and fashionable lifestyles. Fashion consumption is the label of individuals in China. Veblen (1973) explained the mechanism for the constant pursuit of people for the latest fashion as their lifestyles. The pursuit of fashion is a competition, stimulating consumption that can identify our belonging to a certain group or even a higher group. To maintain their social distance from the lower class, people in the higher class must lead the changing fashions and purchase the latest products all the time so as not to be overcome by the lower class, who often play the role of followers imitating the lifestyles of the higher class. This phenomenon is the paper-chase effect, which stimulates people to pursue the latest fashions and lifestyles.

Factor 2: “Western is best” Lifestyle

Desiring a Western lifestyle is a common phenomenon in China. The value system in China is a melting pot, mixing the value system from traditional Chinese and Western cultures (Lu, 2011). The uneven development of the two forces leads to an ever-changing social value. Three of the most important cultural values identified in Chinese commercials in 1996 were modernity, youth, and family (Cheng and Schweitzer, 1996). Modernity and youth are concepts borrowed from Western culture. In many TV commercials, these two concepts are depicted in Western styles. A report from McKinsey Great China (2014) shows that, compared with common citizens, the Chinese middle class prefer foreign brands, and 34% of the upper middle class prefer foreign food and beverage, 10% higher than common citizens. The middle class spend more money in travel, and 10% of the urban middle class prefer

traveling outside of China. The Chinese middle class desire Western lifestyles because they believe the Western life is modern, fashionable, and tasteful.

Factor 3: “Xiaozi” Lifestyle

“Xiaozi” has become a part of consumer culture, which is redefined by brands. “Yuppie” is the closest word that depicts the “Xiaozi” lifestyle (Chow, 2010). A perfect “Xiaozi” image involves wearing an Agnes. b dress, driving a Mini Cooper car, and drinking Evian mineral water and Starbucks coffee. Brands with delicate, artistic, and romantic images match the interest of the “Xiaozi” tribe. This tribe prefers the products of famous brands, especially niche designer brands. However, they do not seem to accept excessively luxurious and popular brands, partly because of economic capability and partly because of taste distinction.

Romance is an important part of the “Xiaozi” lifestyle. The fantasy of romantic living usually comes from European films. The “Xiaozi” tribe imitates the material forms of romantic life shown in Western films. Wines, roses, French cuisine, coffee, jazz music, quality bars, Western TV series, and intellectual Western literature are “Xiaozi” accouterments (Chow, 2010; Laughlin, 2012). The tribe desires a travelling life. Travel is considered a romantic leisure activity. Tibet, Nepal, Paris, Provence, and Maldives are the most popular destinations. Travel expresses the cosmopolitanism of the “Xiaozi” tribe (Calhoun, 2003).

Factor 4: Money-conscious Lifestyle

This factor captures the tendency of the stressful living situation with careful calculation of cost and strict budgeting of consumption. This factor is labeled as “money conscious,” depicting the lifestyle images of sensitivity to price, caution in spending, and hard work to make money. A similar concept of “price sensitivity” has appeared in some studies (Sprotles and Kendall, 1986; Durvasula, Lysonski and Andrews, 1993; Wei, 1997; Hiu et al., 2001),

showing the consumer characteristic of valuing money.

Factor 5: Lifestyles of Health and Sustainability (LOHOS)

LOHOS became popular in China in the past five years. It frequently appears in fashion magazines, fashion blogs, and designer product stores. The key words of LOHOS shown in fashion blogs and magazines are the following: health, lifestyle, design, brand, nature, vacation, home decoration, and skin care. Instead of being used for sustainable living and environment protection, LOHOS is used as a marketing concept to promote certain lifestyle products and services. LOHOS people prefer to choose organic food, natural linen-cotton clothes, and other eco-friendly goods. The skincare brand “The Body Shop” is a typical example. LOHOS people are the usual readers of fashion magazines. The latest lifestyle concepts popular in Western society are often introduced in fashion and lifestyle magazines such as “Cosmopolitan” and “Bazaar.” A special magazine in China is named “LOHOS,” which introduces healthy lifestyles, fashion information on wearing clothes, healthy dining, and interviews with celebrities of LOHOS. In the digital age, these people become active social media users, following fashion bloggers and LOHOS celebrities to guide consumption and cultivate LOHOS taste and healthy lifestyles.

Factor 6: Pragmatic Struggling Lifestyle

China has the tradition of considering knowledge, not money, as a criterion of success. When entering a market economy, all the material lifestyles are related to consumption. To survive and live a better material life, people must work hard and earn money first. Spending most of their time working makes people tired and stressed. This pragmatic struggling lifestyle is very typical in urban cities in China.

Four lifestyle groups of Middle class

This study has identified four lifestyle groups among new middle class in post-reform China, namely “experienter”, “striver”. “trendy achiever” and “pragmatist”.

The concept of experienter has been proposed in the VALS China framework. SBI (2014) built the VALS China framework based on its investigation in 62 areas in China, covering major geographic regions. The VALS China Framework classifies Chinese consumers into nine categories. According to the VALS China framework, experiencers follow fashion trends and spend significant time in social activities. Experiencers care about the quality of life. They are more likely to be hedonists who know much about enjoying life. They like reading and often follow fashion bloggers to acquire fashion, travel, and healthy lifestyle information. Although they are not very rich, they still endorse the importance of taste, which distinguishes them from the nouveau riche. They reject blindly following large, famous brands. They can be considered as the “petty bourgeoisie” in China.

Strivers have low resources and achievement motivation. Many strivers live a stressful life. They are very cautious in spending. They often value money when they purchase. They compare the price and determine the highly cost-effective product during purchase decision making. Although their current life is not good, they still have expectations on achievement. According to the description of the VALS China framework, strivers desire to improve their lives but have difficulty in realizing their desire.

According to the VALS China Framework, trendy achievers have the greatest desires to be recognized as successful. The primary motivation of these people is achievement. They also hope that their styles of living can match the achievement, to be elite. The aspiration of an elite lifestyle is popular in China. The modern elite class in China is different from overnight millionaires, such that the class members have economic and cultural capitals.

The elite class with rich cultural capital has a long history in China, as explained in Chapter 2. The elite culture is popular, especially in urban China. The images of the elite class are used frequently in advertisements to stimulate consumers' desire for possession.

The lifestyles of pragmatists are not influenced significantly by income and education level. They usually look for good value for money and functions rather than brand value when making purchase decisions. They reject conspicuous consumption and luxury goods. They think that investing significantly is not necessary to catch up with the latest trends. They show little interests in Western products and lifestyles. Pragmatists are basically content with the current situation.

Attitudes of Lifestyle Segments to Advertising

Trendy achievers are the strongest supporters of advertising. They pay considerable attention to the advertisements they watch. They consider advertising as an important lifestyle guide and fashion leader. The lifestyle images depicted in advertisements are effective in arousing the desire of trendy achievers to live that way. They are easily influenced by trendy lifestyle advertisements because they trust advertising. Their brand preference and purchase decisions are closely connected with advertisements, and they are willing to share good advertisements with friends. Given that chasing the trendy life is the top mission, trendy achievers pay close attention to the latest advertisements of innovative products. Actively sharing the latest advertisements and brand news highlights trendy characteristics.

Experiencers show positive attitude on advertising but not as strongly as trendy achievers do. They agree with the power of advertising in leading fashion trends. However, experiencers do not consider chasing the latest fashion trend as very important in their life. They admit the influence of

advertising in shaping their lifestyles. They may desire for those lifestyles shown in the advertisements, which match their own taste. They give priority to the products that have been advertised when making purchase decision. However, advertising is not the key determining factor in their decision making for purchases.

Strivers hold a relatively neutral to positive attitude on advertising. For them, advertising can lead the fashion trends to some extent. However, they show little trust in advertising. Advertising cannot change their purchase decision making.

Pragmatists hold a slightly neutral to negative attitude on advertising. They do not care about advertising as a fashion leader. While pragmatists admit the function of advertising as an information source when making a purchase decision, they do not dwell on the dream to live the ideal lifestyle depicted in advertisements. Besides product information, pragmatists are skeptical on the lifestyle advertising illustrates. They do not seem to share advertisements actively on their social networking sites. For them, the only use of advertising is to deliver product information.

5.6 Conclusions

China is a heterogeneous market with diverse consumer segments. This chapter has successfully established four lifestyle segments of middle-class consumers: experiencers, strivers, trendy achievers, and pragmatists. The similarities and differences of demographics and psychographics were compared to profile the lifestyles of the consumers. To some extent, the four lifestyle segments have verified the VALS China framework proposed by SBI (2014). The concepts of “experiencers,” “strivers,” and “trendy achievers” were first proposed in the VALS China framework, and the lifestyles of these three segments were further explained in this research.

The attitudes of the Chinese middle class toward advertising have been examined in this empirical study. Four lifestyle segments of the new urban middle class share mutual attitudes toward advertising and generally approve of advertising. The new urban middle class admits the importance of advertising in leading fashion trends. They trust the authoritativeness of media, and therefore strongly prefer to buy products they have seen in advertisements. Advertising is then perceived as the source of authoritative product information. This finding proves the power of advertising in promoting products. This study further identifies the differences among four segments on the attitudes toward advertising. For pragmatists, advertising is the information deliverer that informs them about the existence and functions of products, but they care little about the lifestyles projected in advertising. For strivers, advertising is influential to their lives. However, strivers show little trust in what advertising says. Advertising shows little power in changing their purchase decisions. For both experiencers and trendy achievers, advertising is important in guiding their lifestyles and making purchase decisions. Trendy achievers show the strongest enthusiasm in learning from advertising and sharing advertising with friends. They like to share their understanding on advertising, consumption, and lifestyles. Compared to trendy achievers, experiencers care less about fashion trends, and instead care more about the quality of living.

This study is intended to make some contributions to the relevant literature. First, instead of taking middle class consumers as a whole, this study divided Chinese middle class into several segments based on their lifestyle differences. Their attitudes to advertising have also been investigated. Previous social class studies tend to view social classes as discrete membership groups, therefore they pay much attention on cross-class differences (Song, et al., 2015). Few studies are about intra-class differences

of consumption patterns and lifestyles. The value of this study is to detect the intra-class differences in lifestyles and attitudes by proposing and empirically testing the typology of middle class consumers, to gain in-depth understanding on the lifestyles of middle class in emerging markets.

Chapter 6 Advertising and Values in Emerging Markets

Chapter 6 first studies the shared values among the emerging Chinese middle class and identifies three of the most important shared values among the Chinese middle class: sense of security, sense of accomplishment, and self-respect and well respected. The demographic differences of the Chinese middle class and the influences on value priorities are compared. The impact of dominant values on lifestyles and consumption attitudes is studied as well. Next, dominant values preferred in advertisements for the Chinese middle class have been investigated. The meanings of each value to Chinese middle class and why the values are attractive are explained. The demographic differences of the Chinese middle class on preferred values in advertising are compared. At the end of the chapter, the relationships among advertising, values, and lifestyles of the middle class in an emerging market are discussed based on three studies in the research.

6.1 Introduction and Research Questions

China has a high cultural context with a long historical accumulation of Confucian culture (de Mooij, 2013). Certain values, beliefs, religions, and culture form the collectivistic characteristics of Chinese people and have been stable for a long time. With economic and cultural globalization occurring in the past 100 years, the value system in China has become a melting pot, mixing value systems from Chinese and western, traditional and modern culture (Cheng, 1998). The uneven development of the two forces leads to ever-changing dominant social values. Eastern culture, individualism, and collectivism, and Confucius traditions make China unique in value studies. Values are essential in understanding consumers because of its influences on consumer interests and behavior (Clawson and Vinson, 1978; Pitts and Woodside, 1983; Kahle and Kennedy, 1989; Schwartz, 1994; Davidov et al., 2008; Jansson et al., 2011; Hansen, Risborg and Steen, 2012).

Understanding the value rankings of Chinese consumers is very important because value influences individual interests, leisure activities, and self-identity, while lifestyle further influences consumption behaviors. This study intends to examine the dominant values shared among the emerging Chinese middle class, and to investigate dominant values preferred in advertisements for the emerging Chinese middle class. The relationships among advertising, values, and lifestyles of the middle class in an emerging market will also be discussed.

The studies on value priorities of Chinese consumers are worthy. Furthermore, given that value priorities and lifestyle preferences have significant effects on purchase decisions, understanding the shared values, lifestyles, and desires of Chinese middle class can help marketers precisely position their advertisements for potential consumers and obtain in-depth consumer insights.

The research questions to be explored are listed below:

What are the dominant values shared by the new urban middle class in post-reform China ?

Which value themes in advertising are considered as most attractive by Chinese middle-class consumers?

What is the relationship among advertising, lifestyles, and values of the new middle class in post-reform China?

6.2 Theoretical Frameworks

Three key theories are adopted in the value and advertising study: Kahle and Goff Timmer's List of Value (1983), Hofstede's five dimensions of national culture (1984) and Schwartz's theory of basic values (1992). These theories are introduced in Chapter 2.

List of Value (LOV for abbreviation) is an important value measurement instrument in culture and consumer studies. Several cross-cultural studies use

the LOV instrument to rank the importance of values. Results indicate that differences exist in value rankings among different countries. To use LOV approach in this study enables the researcher to measure value priorities and compare the results with the value rankings of people in different countries. The theory of Hofstede's five dimensions of national culture (1984) has been explained in chapter 4. The cultural dimension of collectivism/ individualism will be adopted in this study as supplementary theoretical guide, to explain the value ranking results related to collectivistic/ individualistic cultures in this study.

The value system proposed by Schwartz contains ten universal values from four motivational directions: self-enhancement, openness to change, conservation and self-transcendence (Schwartz, 2012). The four motivational directions of values and the characteristics of each direction will be used to explain the possible reasons for value ranking results in this study.

6.3 Method

Questionnaire design

The questionnaire contains three parts. The first part includes demographic information, including career, educational and family background, and financial situation. The second part includes value ranking; it uses LOV instrument to rank the nine values according to their importance to the respondents. The third part contains lifestyle statements, to collect psychographic information from the respondents. The fourth part contains advertising images to identify the perceived values in the advertisements and their rankings. Content analysis was used to analyze advertising images with various cultural values in Chapter 4. The 12 value themes identified in Chapter 4 were used in the questionnaire, to test the preference of Chinese middle class on the values in advertising. The advertising images using in the

questionnaire were selected from the content analysis study materials.

All the questions related to attitudes used a five-point Likert scale to indicate the extent to which an individual would agree with the statements. The language used in the questionnaire is Chinese. The English version of this questionnaire was translated by a PhD student and double-checked by a professional translator.

To test the clarity and total comprehensiveness of the questions, a pilot survey was launched to 100 respondents with snowball sampling strategy through the online survey platform. Respondents in the pilot study sent feedback to the researcher, thus helping improve the holistic performance of the questionnaire.

Sampling

Similar to the procedure in study 1(see chapter 5), a professional online sampling database was adopted in this research. Potential respondents in this database who met the criteria received an email inviting them to join the online survey. Those who accepted the invitation became the respondents of this survey. The questionnaire was created through the professional online survey platform www.wenjuan.com and distributed by iDiaoyan Consumer Research Company. A stratified random sampling method was used according to certain stratification criteria, including city of residence, age, income, and educational background. The respondents were randomly selected from Tier-1 cities in China, including Beijing, Shanghai, Guangzhou, and Shenzhen, which are the four largest cities with the largest population base and highest income level and GDP proportions. The age of the respondents ranged from 25 years to 40 years. Their personal monthly income level was above 5,000 CNY. The educational background of respondents should be at least college level. These well-educated middle-class respondents are usually salaried employees who work as white

collar, senior managers, IT programmers, or engineers in large companies. The respondents are completely anonymous to the researcher.

The data collection process took place from December 1 to December 30, 2015. In total 753 invitation requests were sent with 400 responses with valid completed questionnaires. The online survey platform carefully controlled the distribution of the quota sample volume. Data was processed through SPSS software package version 22. The demographic characteristics of the respondents in this survey are shown in Table 23. The sample was composed of 400 respondents, 50% men and 50% women, 35.8% aged between 26-30 and 64.2% aged between 31-40. We purposely chose to survey only in this age category because they are more likely to be the emerging middle class. In China, university students usually graduate at the age of 24. All the respondents hold educational certificate of college or above. 69.3% of the respondents have bachelor degree. The respondents are equally distributed in four Tier-1 cities.

Table 23 Demographic Characteristics of Respondents

Characteristic	<i>n</i>	Percentage
Sex:		
Male	200	50%
Female	200	50%
Age (years):		
26–30	143	35.8%
31–40	257	64.2%
Education (highest degree obtained):		
College	48	12%
Bachelor	277	69.3%
Master's	70	17.5%
Doctoral and above	5	1.3%
City of residence:		
Beijing	100	25%

Shanghai	100	25%
Guangzhou	100	25%
Shenzhen	100	25%
Total	400	100%

6.4 Results

Part 1: the value ranking among the emerging Chinese middle class

This study uses the LOV instrument to identify the value rankings in urban China to determine if significant differences are present among the emerging middle class. Nine values were listed in the question, and respondents were instructed to rate the values according to the importance in their daily life. For the rating, 1 is the most important and 9 is the least important. The mean score for each respondent on the nine values was calculated, and the score for each value was divided by their overall mean to indicate the relative importance of the value for the respondents. Value ranking is more important than the mean scores because value priorities, the relative importance of the different values, can guide people's behavior and attitudes, not the importance of any one value (Schwartz, 2012). The importance rankings of LOV are shown in Table 24.

Table 24 Importance Rankings of LOV

Important value in every life (In decreasing order of importance)	Mean	Standard deviation	Ranking
Sense of security	3.86	2.479	1
Sense of accomplishment	4.21	2.482	2
Self-respect	4.36	2.351	3
Well respected	4.71	2.380	4
Sense of belonging	4.87	2.446	5
Self-fulfillment	4.96	2.371	6
Enjoyment	5.31	2.543	7
Warm relationship	5.47	2.276	8
Excitement	7.25	2.360	9

Note: Scale: 1=most important; 9=least important.

The middle-class respondents in this study endorse sense of security, accomplishment, and self-respect as three most important values. The bottom 3 important values are enjoyment, warm-relationship and excitement.

Sense of security is selected as the most important value by middle-class respondents in urban China. Chinese people show a strong need for sense of security, and they work hard to acquire enough security. In this survey, 86.8% of the respondents feel secure in their current life. According to Maslow's hierarchy of needs, sense of security is the fundamental need of human being (Maslow, 1987). The respondents endorsed sense of accomplishment as the second most important value in life. Self-respect is ranked as the third most important value in life by Chinese respondents. Self-respect is an individualistic value, which implies personal sense of control and one's dignity, and being well respected is a collectivistic value because it is about the perceptions of others (Homer and Kahle, 1988; Kahle, Rose and Shoham, 2000). Advertisements with value theme of well-respected usually depict people being admired and respected by others. Values of self-respect and being well respected are about the maintenance of "face." Saving face means maintaining a good image of the self. Losing face means losing dignity, whereas giving face means paying respect to other people. In China, saving and giving face are important in social relations. The value of being well respected is related to the sense of belonging, which means being accepted and respected in social groups. Sense of belonging is found across cultures. Belongingness to social groups and positions in the social groups likewise help individuals mark their social status. Sense of belonging is one of the most important human motivations. A strong sense of insecurity arises if people feel they do not belong. Self-fulfillment refers to achieve personal

dreams, mainly endorsed by young professionals (Kahle and Kennedy, 1989). It shows little difference from sense of accomplishment. Young people desires for personal success, which can be social recognized success, so called “accomplishment”, or fulfilling personal dreams, so called “self-fulfillment”. Hedonism values, including enjoyment and excitement are ranked as the least important values by middle class respondents, which implies that striving for success, being recognized in social groups, keeping harmonious social relations are more important than personal pleasures.

Value Ranking Differences among Gender Categories

The scores of value ranking among gender categories are similar without significant differences, except for the mean score of sense of accomplishment.

The top 3 most important values for male and female respondents are the same but the ranking is different. Male respondents rank sense of accomplishment as the second most important value, while female respondents endorse self-respect as the second most important value. Mass media in China usually shape the images of “successful man” instead of “successful women”, which may form a psychological hint that man should value success over woman. According to Kahle’s research in U.S., people who endorse sense of accomplishment are middle-aged successful, well-educated men (Kahle and Kennedy, 1989). Female respondents care about personal dignity and are eager to receive respect from society. This result could be explained as the awakening of female self-perception. Furthermore, female respondents endorse sense of belonging over male respondents. This phenomenon is also identified in the U.S. (Kahle and Kennedy, 1989).

Table 25 One-way ANOVA Analysis: Comparing the Means of LOV among

Categories of Gender

LOV vs. Gender		N	Mean	Std. deviation	F value	p-value
Sense of belonging	Male	200	5.04	2.437	1.937	.165
	Female	200	4.70	2.449		
	Total	400	4.87	2.446		
Warm relationship	Male	200	5.56	2.342	.696	.405
	Female	200	5.37	2.211		
	Total	400	5.47	2.276		
Excitement	Male	200	7.30	2.251	.179	.672
	Female	200	7.20	2.470		
	Total	400	7.25	2.360		
Enjoyment	Male	200	5.22	2.560	.528	.468
	Female	200	5.40	2.530		
	Total	400	5.31	2.543		
Self-fulfillment	Male	200	5.06	2.409	.608	.436
	Female	200	4.87	2.335		
	Total	400	4.96	2.371		
Well respected	Male	200	4.64	2.369	.424	.516
	Female	200	4.79	2.395		
	Total	400	4.71	2.380		
Sense of accomplishment	Male	200	4.00	2.414	2.945	.087 *
	Female	200	4.43	2.537		
	Total	400	4.21	2.482		
Sense of security	Male	200	3.79	2.475	.296	.587
	Female	200	3.93	2.488		
	Total	400	3.86	2.479		
Self-respect	Male	200	4.41	2.291	.130	.718
	Female	200	4.32	2.414		
	Total	400	4.36	2.351		

Notes: Scale: 1=most important; 9=least important.

Significance: *p <0.1; **p <0.05; ***p<0.01

Table 26 Value Ranking Comparison among Gender Categories

	Value ranking comparison among gender categories		
	Male	Female	Overall
1	Sense of security	Sense of security	Sense of security
2	Accomplishment	Self-respect	Accomplishment
3	Self-respect	Accomplishment	Self-respect
4	Well respected	Sense of belonging	Well respected
5	Sense of belonging	Well respected	Sense of belonging
6	Self-fulfillment	Self-fulfillment	Self-fulfillment
7	Enjoyment	Warm relationship	Enjoyment
8	Warm relationship	Enjoyment	Warm relationship
9	Excitement	Excitement	Excitement

Notes: Scale: 1=most important; 9=least important.

Value Ranking Differences among Age Categories

The mean scores of value ranking among age categories show few significant differences. The respondents above age 30 show a stronger desire for individualistic values of accomplishment and well-respected by others, while younger respondents show a stronger need for self-respect and sense of belonging.

Table 27 One-way ANOVA Analysis: Comparing the Means of LOV among

Categories of Age

	26–30	31–40	Total	F value	p-value
Sense of belonging	4.69	4.97	4.87	1.175	.279
Warm relationship	5.47	5.46	5.47	.001	.982
Excitement	6.94	7.42	7.25	3.941	.048 **
Enjoyment	5.18	5.38	5.31	.543	.462
Self-fulfillment	5.07	4.9	4.96	.456	.500
Well respected	4.74	4.7	4.71	.032	.857

Sense of accomplishment	4.51	4.05	4.21	3.225	.073 *
Sense of security	3.9	3.83	3.86	.072	.789
Self-respect	4.5	4.29	4.36	.723	.396

Notes: Scale: 1=most important; 9=least important.

Significance: *p <0.1; **p <0.05; ***p<0.01

Table 28 Value Ranking Comparison among Age Categories

	Value ranking comparison among age categories		
	25–30	31–40	Overall
1	Sense of security	Sense of security	Sense of security
2	Self-respect	Accomplishment	Accomplishment
3	Accomplishment	Self-respect	Self-respect
4	Sense of belonging	Well respected	Well respected
5	Well respected	Self-fulfillment	Sense of belonging
6	Self-fulfillment	Sense of belonging	Self-fulfillment
7	Enjoyment	Enjoyment	Enjoyment
8	Warm relationship	Warm relationship	Warm relationship
9	Excitement	Excitement	Excitement

Notes: Scale: 1=most important; 9=least important.

Value Ranking Differences among City Categories

The mean scores of shared values on sense of security (p-value=.021), enjoyment (p-value=.089), and excitement (p-value=.069) indicate some significant differences. Respondents in Beijing (mean=3.22) value sense of security over respondents in Shanghai (mean=3.96), Shenzhen (mean=3.99), and Guangzhou (mean=4.26). Respondents in Shanghai (mean=4.97) and Beijing (mean=5.02) endorse enjoyment over respondents in Shenzhen (mean=5.50) and Guangzhou (mean=5.74). Respondents in Guangzhou (mean=6.83) and Shanghai (mean=7.15) rate excitement over respondents in Shenzhen (mean=7.32) and Beijing (7.70).

The ranking differences of shared values among city of residence categories are in the values of sense of security, accomplishment, sense of belonging, self-fulfillment, and warm relationship. Respondents in Guangzhou and Shenzhen share similar value preferences. They express their strongest desire on accomplishment and their weakest interest on enjoyment and excitement. Respondents in Shanghai and Beijing consider sense of security as the most important value, followed by self-respect and accomplishment. Respondents in Beijing value being well respected more than people in the other three cities.

Table 29 One-way ANOVA analysis: Comparing the Means of LOV among

Categories of City of Residence

LOV vs. Cities	Beijing	Shanghai	Guangzhou	Shenzhen	Total	F value	p-value
Sense of belonging	5.16	4.58	4.79	4.95	4.87	1.008	.389
Warm relationship	5.27	5.78	5.4	5.41	5.47	.929	.427
Excitement	7.7	7.15	6.83	7.32	7.25	2.381	.069 *
Enjoyment	5.02	4.97	5.74	5.5	5.31	2.187	.089 *
Self-fulfillment	4.97	4.64	5.18	5.06	4.96	.954	.415
Well respected	4.89	5.05	4.43	4.48	4.71	1.652	.177
Sense of accomplishment	4.4	4.44	4.08	3.93	4.21	.997	.394
Sense of security	3.22	3.96	4.26	3.99	3.86	3.290	.021 **
Self-respect	4.37	4.43	4.29	4.36	4.36	.059	.981

Notes: Scale: 1=most important; 9=least important.

Significance: *p <0.1; **p <0.05; ***p<0.01

Table 30 Value Ranking Comparison among City of Residence Categories

	Value ranking comparison among city of residence categories				
	Beijing	Shanghai	Guangzhou	Shenzhen	Overall
1	Sense of security	Sense of security	Accomplishment	Accomplishment	Sense of security
2	Self-respect	Self-respect	Sense of security	Sense of security	Accomplishment
3	Accomplishment	Accomplishment	Self-respect	Self-respect	Self-respect
4	Well respected	Sense of belonging	Well respected	Well respected	Well respected
5	Self-fulfillment	Self-fulfillment	Sense of belonging	Sense of belonging	Sense of belonging
6	Enjoyment	Enjoyment	Self-fulfillment	Self-fulfillment	Self-fulfillment
7	Sense of belonging	Well respected	Warm relationship	Warm relationship	Enjoyment
8	Warm relationship	Warm relationship	Enjoyment	Enjoyment	Warm relationship
9	Excitement	Excitement	Excitement	Excitement	Excitement

Notes: Scale: 1=most important; 9=least important.

Value Ranking Differences among Education Categories

The mean scores of shared values on sense of security (p-value=.005) and well respected (p-value=.055) indicate significant differences. Respondents with college degrees (mean=3.73) and bachelor degrees (mean=3.75) value sense of security over respondents with master's degrees (mean=4.09) and doctoral degrees (mean=7.60). Similarly, respondents with college degrees (mean=4.08) and bachelor degrees (mean=4.68) endorse well respected over respondents with master's degrees (mean=5.21) and doctoral degrees (mean=5.80).

The ranking differences of shared values among education level categories are significant. Respondents with college degrees prefer collectivistic values. These respondents consider security and being accepted and respected by groups very important. The respondents with master degree endorse sense of accomplishment as the most important value. The respondents with doctoral degrees are likely to take individualistic values as more important. These respondents rate self-fulfillment, self-respect, and accomplishment as the

most important values in life. After receiving higher education and cross-cultural knowledge, higher educated people have the chance to reach the top need of self-actualization, which is identified in Maslow's hierarchy of needs (Maslow, 1987).

Table 31 One-way ANOVA Analysis: Comparing the Means of LOV among
Categories of Educational Background

LOV vs. Education	College	Bachelor	Master	Doctoral and above	Total	F value	p-value
Sense of belonging	5.15	4.87	4.73	4.4	4.87	.342	.795
Warm relationship	5.35	5.38	5.93	5	5.47	1.220	.302
Excitement	7.23	7.24	7.23	8.2	7.25	.273	.845
Enjoyment	5.83	5.32	5.01	3.8	5.31	1.588	.192
Self-fulfillment	5.06	4.99	4.93	3.2	4.96	.963	.410
Well respected	4.08	4.68	5.21	5.8	4.71	2.556	.055 *
Sense of accomplishment	4.4	4.35	3.57	3.6	4.21	2.060	.105
Sense of security	3.73	3.75	4.09	7.6	3.86	4.301	.005 ***
Self-respect	4.17	4.43	4.3	3.4	4.36	.480	.696

Notes: Scale: 1=most important; 9=least important.

Significance: *p <0.1; **p <0.05; ***p<0.01

Table 32 Value Ranking Comparison among Educational Background Categories

Value ranking comparison among educational background categories				
College	Bachelor	Master	Doctor and above	Overall
Sense of security	Sense of security	Accomplishment	Self-fulfillment	Sense of security
Well respected	Accomplishment	Sense of security	Self-respect	Accomplishment
Self-respect	Self-respect	Self-respect	Accomplishment	Self-respect
Accomplishment	Well respected	Sense of belonging	Enjoyment	Well respected
Self-fulfillment	Sense of belonging	Self-fulfillment	Sense of belonging	Sense of belonging

Sense of belonging	Self-fulfillment	Enjoyment	Warm relationship	Self-fulfillment
Warm relationship	Enjoyment	Well respected	Well respected	Enjoyment
Enjoyment	Warm relationship	Warm relationship	Sense of security	Warm relationship
Excitement	Excitement	Excitement	Excitement	Excitement

Value Ranking Differences among Profession Categories

The respondents with different professions show few differences in ranking the values of enjoyment (p-value=.055) and self-fulfillment (p-value=.073). The mean scores of middle-level managers (mean=4.99), white collar (mean=5.00), and professional executives (mean=5.21) on the value of enjoyment are higher than the average level. The mean scores of salespersons (mean=3.44), teachers (mean=3.57), and engineers (mean=3.92) on the value of self-fulfillment are higher than those of other people, whereas accountants (mean=6.15) show the least interest on self-fulfillment.

The characteristics of professions influence the preferred values. The ranking differences of shared values among profession categories are significant. Self-employed individuals, professional executives, teachers, and engineers place sense of accomplishment as the most important value in life. Their work is usually result-oriented, which could explain their strong desire for accomplishment. White collar respondents, middle-level managers, and officers rate sense of security as the most important value. Their jobs are usually stable without too many changes. Senior managers, programmers, and IT practitioners consider self-respect as the most important value in life. Salespersons desire for self-fulfillment most.

Table 33 One-way ANOVA Analysis: Comparing the Means of LOV among Categories of Professions

	Self-employed	White collar	Middle-level manager	Senior manager	Officer	Accountant	Salesperson	Professional executive	Teacher	Engineer	Programmer/IT	Media practitioner	Other	Total	F value	p-value
Sense of belonging	4.98	4.9	4.65	5.91	7	4.92	3.78	4.89	5.29	5.42	4.76	4	4.78	4.87	.900	.547
Warm relationship	5.66	5.32	5.66	5.57	5	5.23	6.11	5.16	5.57	5.33	4.94	5	4.22	5.47	.571	.866
Excitement	7.36	7.44	7.2	7.35	9	6.62	6.56	6.68	7.43	8.08	7.12	4	7.67	7.25	1.070	.384
Enjoyment	5.39	5	4.99	5.91	7.33	5.62	7.33	5.21	6.57	5.67	6.24	8	4.67	5.31	1.788	.048**
Self-fulfillment	5.25	4.8	4.86	5.96	5.67	6.15	3.44	5.47	3.57	3.92	4.94	4	5.67	4.96	1.661	.073*
Well respected	4.57	4.73	5.07	3.74	3	3.69	4.67	4.95	5.14	4.08	4.29	4.33	4.78	4.71	1.109	.351
Sense of accomplishment	3.39	3.39	3.39	3.39	3.39	3.39	3.39	3.39	3.39	3.39	3.39	3.39	3.39	3.39	1.363	.181
Sense of security	3.82	3.58	3.93	3.57	1	4.38	4.78	3.89	3.43	3.58	4.59	6.33	4.11	3.86	1.026	.424
Self-respect	4.59	4.35	4.37	3.26	3.67	4.15	4	5.21	4.57	5.42	3.65	5.33	4.67	4.36	1.106	.354

Notes: Scale: 1=most important; 9=least important.

Significance: *p <0.1; **p <0.05; ***p<0.01

Table 34 Value Ranking Comparison among Categories of Profession

Value ranking comparison among categories of profession						
Self-employed	White collar	Middle-level manager	Senior manager	Officer	Accountant	Salesperson
Accomplishment	Sense of security	Sense of security	Self-respect	Sense of security	Well respected	Self-fulfillment
Sense of security	Self-respect	Accomplishment	Sense of security	Well respected	Self-respect	Sense of belonging
Well respected	Well respected	Self-respect	Well respected	Accomplishment	Accomplishment	Self-respect
Self-respect	Self-fulfillment	Sense of belonging	Accomplishment	Self-respect	Sense of security	Accomplishment
Sense of belonging	Accomplishment	Self-fulfillment	Warm relationship	Warm relationship	Sense of belonging	Well respected
Self-fulfillment	Sense of belonging	Enjoyment	Sense of belonging	Self-fulfillment	Warm relationship	Sense of security
Enjoyment	Enjoyment	Well respected	Enjoyment	Sense of belonging	Enjoyment	Warm relationship
Warm relationship	Warm relationship	Warm relationship	Self-fulfillment	Enjoyment	Self-fulfillment	Excitement
Excitement	Excitement	Excitement	Excitement	Excitement	Excitement	Enjoyment
Professional executive	Teacher	Engineer	Programmer/IT	Media practitioner	Other	Overall
Accomplishment	Accomplishment	Accomplishment	Self-respect	Sense of belonging	Sense of security	Sense of security
Sense of security	Sense of security	Sense of security	Well respected	Excitement	Warm relationship	Accomplishment
Sense of belonging	Self-fulfillment	Self-fulfillment	Accomplishment	Self-fulfillment	Accomplishment	Self-respect
Well respected	Self-respect	Well respected	Well respected	Well respected	Well respected	Well respected
Warm relationship	Well respected	Warm relationship	Sense of belonging	Well respected	Self-respect	Sense of belonging
Enjoyment	Sense of belonging	Sense of belonging	Warm relationship	Warm relationship	Sense of belonging	Self-fulfillment
Self-respect	Warm relationship	Self-respect	Self-fulfillment	Self-respect	Well respected	Enjoyment
Self-fulfillment	Enjoyment	Enjoyment	Enjoyment	Sense of security	Self-fulfillment	Warm relationship
Excitement	Excitement	Excitement	Excitement	Enjoyment	Excitement	Excitement

Value Ranking Differences among Income Categories

The respondents with different monthly income levels show significant differences in ranking the values of excitement (p-value=.023), enjoyment (p-value=.005), and sense of accomplishment (p-value=.082). The respondents whose income range within 20,001–30,000 (mean=4.39) and 10,001–15,000 (mean=4.58) rate sense of belonging lower than others. The respondents with high-income level or 30,001–35,000 (mean=6.43) value rate excitement higher than other respondents. The mean scores on the value of enjoyment show the trend of polarization, in which people with the highest and lowest incomes rate enjoyment higher than people with middle-level income. The mean scores on the value of accomplishment show the trend of positive correlation, in which people with more income tend to rate the sense of accomplishment higher. For respondents whose monthly income is over 30,000 RMB, the sense of accomplishment is chosen as the most important value in their life. For the respondents whose monthly income is less than 30,000 RMB, sense of security is rated as the most important value in their life, and self-respect is the second most important value.

Table 35 One-way ANOVA Analysis: Comparing the Means of LOV among Categories of Monthly Income

	5001– 10000	10001– 15000	15001– 20000	20001– 30000	30001– 35000	Above 35001	Total	F value	p-value
Sense of security	5.17	4.58	5.49	4.39	4.93	5.28	4.87	1.862	.100
Warm relationship	5.72	5.66	4.66	5.37	5.56	5.16	5.47	1.387	.228
Excitement	7.69	7.26	7.43	7.34	6.43	7.32	7.25	2.647	.023 **
Enjoyment	4.69	4.95	5.34	5.86	5.87	4.76	5.31	3.434	.005 ***
Self-fulfillment	4.42	4.91	4.83	5.27	5.24	5.4	4.96	1.807	.110
Well respected	4.67	4.97	5.54	4.54	4.36	4.8	4.71	1.459	.202
Sense of accomplishment	4.48	4.77	4.51	3.95	3.77	3.64	4.21	1.972	.082 *
Sense of security	3.9	3.58	3.29	3.91	4.28	3.72	3.86	.995	.420
Self-respect	4.26	4.31	3.91	4.37	4.56	4.92	4.36	.684	.636

Notes: Scale: 1=most important; 9=least important.

Significance: *p <0.1; **p <0.05; ***p<0.01

Table 36 Value Ranking Comparison among Categories of Income

Value ranking comparison among categories of income						
5001–10000	10001–15000	15001–20000	20001–30000	30000–35000	Above 35000	Overall
Sense of security	Sense of security	Sense of security	Sense of security	Accomplishment	Accomplishment	Sense of security
Self-respect	Self-respect	Self-respect	Accomplishment	Sense of security	Sense of security	Accomplishment
Self-fulfillment	Sense of belonging	Accomplishment	Self-respect	Well respected	Enjoyment	Self-respect
Accomplishment	Accomplishment	Warm relationship	Sense of belonging	Self-respect	Well respected	Well respected
Well respected	Self-fulfillment	Self-fulfillment	Well respected	Sense of belonging	Self-respect	Sense of belonging
Enjoyment	Enjoyment	Enjoyment	Self-fulfillment	Self-fulfillment	Warm relationship	Self-fulfillment
Sense of belonging	Well respected	Sense of belonging	Warm relationship	Warm relationship	Sense of belonging	Enjoyment
Warm relationship	Warm relationship	Well respected	Enjoyment	Enjoyment	Self-fulfillment	Warm relationship
Excitement	Excitement	Excitement	Excitement	Excitement	Excitement	Excitement

Part 2: Dominant Values Preferred in Advertisements for the Chinese Middle Class

Twelve dominant values selected from advertisements were listed in the questionnaire. Respondents were then invited to rate each value according to attractiveness and persuasiveness in advertising. In the scale, 1 means the most attractive and 12 means the least attractive. The mean score for each respondent on the 12 values was calculated, and scores for each value were divided by their overall mean to rate the relative attractiveness of the value for the respondents. This technique could create greater variance in the data and portray more meaningful analysis (Kahle and Kennedy, 1989). Table 37 presents the results.

Table 37 shows the values respondents considered as most important in advertisements. Family and kinship affection are typical collectivistic values that are considered as the most touching values in advertising. Accomplishment and enjoyment are individualistic values considered as the second most attractive themes in advertising. From the value ranking, the Chinese middle class accepts both collectivistic and individualistic values. Nevertheless, the Chinese middle class generally evaluates collectivistic values over individualistic values.

Table 37 Attractiveness Ranking of Dominant Values in Advertising

Attractiveness ranking of values in advertising	Mean	Standard deviation	Ranking
Family	4.59	2.985	1
Kinship affection	5.39	3.189	2
Accomplishment	5.50	3.113	3
Enjoyment	5.76	3.149	4
Social status	6.27	3.367	5
Love	6.39	3.272	6
Sense of belonging	6.44	3.173	7
Social responsibility	7.00	3.312	8
Utility	7.01	3.663	9
Self-fulfillment	7.07	3.284	10
Economic	7.10	3.422	11
Authority power (expert/celebrity)	9.49	3.005	12
Valid N: 400			

Note: Scale: 1=Most important; 12=Least important

The results rank family as the most important value in advertising. Previous research supports this finding. Chu and Ju (1993) found that the most important goal for the Chinese is “a warm and close family.” Cheng and Schweitzer (1996) report that the family is the third most dominant value used in Chinese television commercials.

Compared with family as a concept of social unit, kinship affection is more likely a concept of emotional bond, which refers to the feelings and affections among family members. To some extent, kinship affection is a primal instinct is born to each individual. The essence of family affection is that people want to pay some or all of the thoughts for their loved ones.

The respondents ranked accomplishment as the third most important value in advertising, just after family and kinship affection. One function of advertising is to deliver desire to its audience. According to Cambridge dictionary, accomplishment means “*something that is achieved after a lot of work or effort.*” Accomplishment can refer to material and spiritual achievements, such as accumulating authorized certifications, acquiring social status, making a lot of money, attaining good job titles, and so forth (Durvasula and Lysonski, 2010).

Enjoyment is the fourth most dominant value perceived in advertising. The value of enjoyment usually emphasizes the happiness brought by the product, such as the beautiful feeling resulting from consuming carbonated beverage and chocolate.

Social status is the fifth most dominant value in advertising. Advertisements of social status persuade people to believe that using the product or service will display or even raise their social position.

Love is always claimed as the eternal theme of human beings in mass media. Similar to the value of family, love is a universal value and has cross-cultural influence. All the diamond advertisements around the world tell stories about eternal love.

Sense of belonging is the basic need of human beings for acceptance into groups, as identified by Maslow (1987). The groups can be family, school clubs, work units, or social organizations. Sense of belonging is the major source of human motivation. People work hard and try their best to enter certain groups where they will be proud

members. An inherent desire for people is to belong to groups.

Advertisements containing the value of social responsibility attempt to show commitment in eliminating or minimizing harmful effects and promoting long-term positive effects to society, educating the audience on the negative effects of their products, supporting social causes, delivering positive values, or promoting individual responsibility.

The value of utility means useful, pragmatic, functional, efficient, and helpful. Advertisements using utility value mainly emphasize the functions, durability, and effectiveness of the products. From the value ranking result, we see that utility value plays a less important role compared to other dominant values, although this value still appears in advertisements frequently, especially for digital products and domestic appliances.

Advertisements with the theme of self-fulfillment tell stories about people who try their best to fulfill their dreams and desires. Consumers use cosmetics to realize their dream of being beautiful and young. Harley-Davidson Motor is merely a tool of transportation, but the brand stands for a free and wild spirit. Harley-Davidson constructs new dreams for urban elites as self-fulfillment.

Economic value refers to cost performance, investment return, promotion, expense of the possession, and other economic aspects (Richins, 1994). The advertisements of economic value may emphasize that purchasing the product is investment behavior, and consumers can expect good economic return. Another type of advertising tries to tell people that buying is saving money, which satisfies the common psychology of pursuing best-cost performance. Real estate advertisements often use this financial value with the statement, "Purchasing the apartment will be a good financial investment."

Chinese people believe in authority power. Many advertisements frequently use experts and celebrities for endorsements, as trust in these personalities creates a reliable impression of the product. This kind of advertisement is most frequently seen in China. In this study, compared to other values, expert/celebrity endorsement occupies the least

dominant position, which indicates the Chinese middle class has little trust on expert and celebrity endorsement.

Different People and Different Attitudes toward Values in Advertising

The study assumes that people with different backgrounds will show different attitudes toward values in advertising. To verify this assumption, one-way ANOVA analysis is adopted to compare the mean scores of ages, genders, living cities, educational backgrounds, and monthly income level categories on 12 dominant values. On the basis of the SPSS results of one-way ANOVA analysis, significant differences of value rankings among different categories of respondents are identified.

People of different ages show some differences in value priority in advertising. For each value, several respondents rate it as the most attractive, while other respondents rate it as the least attractive. Significant differences on value priority exist in three values, namely, social responsibility (p-value=.091), authority power (p-value=.049), and accomplishment (p-value=.084). The younger respondents (ages 26–30) value enjoyment over accomplishment. These respondents will be attracted by the advertisements with the value themes of family, kinship affection, or enjoyment. Social responsibility and authority power are the least attractive for them among the 12 dominant values. For the older respondents (ages 30–40), advertisements about family and accomplishment are the most attractive, whereas self-fulfillment and authority power are the least attractive themes. They evaluate successful career and good family over personal enjoyment. They rate social responsibility as higher priority than younger respondents do. The theme of striving for dreams does not seem as touching for them.

Table 38 One-way ANOVA Analysis: Comparing the Means of Value Priority among Categories of Age

Value priority vs. Age	26–30	31–40	Total	F-value	p-value
Utility	7.2	6.9	7.01	1.161	.282
Economic value	7.35	6.96	7.1	1.161	.282
Enjoyment	5.62	5.83	5.76	.409	.523
Sense of belonging	6.15	6.6	6.44	1.782	.183
Love	6.2	6.5	6.39	.804	.370

Kinship affection	5.27	5.46	5.39	.324	.570
Family	4.55	4.61	4.59	.040	.842
Self-fulfillment	6.83	7.21	7.07	1.263	.262
Social responsibility	7.37	6.79	7	2.876	.091 *
Authority power	9.09	9.71	9.49	3.904	.049 **
Social status	6.51	6.13	6.27	1.160	.282
Accomplishment	5.86	5.3	5.5	2.994	.084 *

Notes: Significance: *p <0.1; **p <0.05; ***p<0.01

Table 39 Perceived Values in Advertising Ranking Comparison among Age Categories

Ranking	Perceived values in advertising ranking comparison among age categories		
	25–30	31–40	Overall
1	Family	Family	Family
2	Kinship affection	Accomplishment	Kinship affection
3	Enjoyment	Kinship affection	Accomplishment
4	Accomplishment	Enjoyment	Enjoyment
5	Sense of belonging	Social status	Social status
6	Love	Love	Love
7	Social status	Sense of belonging	Sense of belonging
8	Self-fulfillment	Social responsibility	Social responsibility
9	Utility	Utility	Utility
10	Economic	Economic	Self-fulfillment
11	Social responsibility	Self-fulfillment	Economic
12	Authority power	Authority power	Authority power

People of different genders show some differences in value priority in advertising, which are significant in the values of social responsibility (p-value=.023) and social status (p-value=.093). Both male and female respondents consider family, kinship, and accomplishment as three of the most touching themes in advertising. Female respondents value kinship affection over accomplishment, while male respondents value accomplishment over kinship affection. Compared to total samples, male respondents value accomplishment and self-fulfillment higher than the average level. Meanwhile, female respondents value love and sense of belonging higher than the average level. For male respondents, family, accomplishment, social status, and

enjoyment are attractive themes in advertising. For female respondents, they are more likely to resonate with advertisements illustrating kinship affection, enjoyment, and love.

Table 40 One-way ANOVA: Comparing the Means of Value Priority among Categories of Gender

Value priority vs. Gender	Male	Female	Total	F-value	p-value
Utility	7.19	6.83	7.01	.939	.333
Economic	7.16	7.05	7.1	.094	.759
Enjoyment	5.69	5.83	5.76	.183	.669
Sense of belonging	6.34	6.54	6.44	.417	.519
Love	6.37	6.42	6.39	.019	.891
Kinship affection	5.51	5.27	5.39	.590	.443
Family	4.77	4.42	4.59	1.337	.248
Self-fulfillment	7.02	7.13	7.07	.102	.750
Social responsibility	7.37	6.62	7	5.180	.023 **
Authority power	9.37	9.61	9.49	.664	.416
Social status	5.99	6.55	6.27	2.829	.093 *
Accomplishment	5.25	5.75	5.5	2.590	.108

Notes: Significance: *p <0.1; **p <0.05; ***p<0.01

Table 41 Perceived Values in Advertising Ranking Comparison among Gender Categories

Perceived values in advertising ranking comparison among gender categories		
Male	Female	Overall
Family	Family	Family
Accomplishment	Kinship affection	Kinship affection
Kinship affection	Accomplishment	Accomplishment
Enjoyment	Enjoyment	Enjoyment
Social status	Love	Social status
Sense of belonging	Sense of belonging	Love
Love	Social status	Sense of belonging
Self-fulfillment	Social responsibility	Social responsibility
Economic	Utility	Utility
Utility	Economic	Self-fulfillment
Social responsibility	Self-fulfillment	Economic
Authority power	Authority power	Authority power

The mean scores of perceived values indicate significant differences in advertising on utility (p-value=.081), enjoyment (p-value=.048), and kinship affection (p-value=.025). The respondents in Beijing and Shenzhen endorse family, kinship affection and accomplishment as top 3 most attractive value themes in advertising. The respondents in Shanghai endorse family, enjoyment and accomplishment as top 3 most attractive value themes in advertising. The respondents in Guangzhou endorse family, accomplishment, and kinship affection as top 3 most attractive value themes in advertising. Compared to the average level, the respondents in Beijing show higher priority in utility, social responsibility, and economic values, but lower priority in love, self-fulfillment, and sense of belonging. The respondents in Shanghai rate enjoyment as their second highest priority. For them, the advertising theme of enjoying life is more attractive than kinship affection or accomplishment. Accomplishment is important for Shanghai respondents as well. From the data, we can infer that the middle class in Shanghai rates individualistic values over collectivistic values. They are influenced heavily by western fashion in pursuing personal life quality and not sticking to tradition. The respondents in Guangzhou like advertisements of accomplishment most than respondents from other Tier-1 cities. For the Guangzhou middle class, accomplishment is the second most attractive theme. They value social status, sense of belonging, and economic values higher than the average level. The respondents in Shenzhen show consistent value ranking as the average ranking of four cities. They rate love and self-fulfillment higher than average level, an outcome that can be attributed to the demographics of Shenzhen respondents. They are relatively young and have good educational background, highly skilled jobs, and good salaries.

Table 42 One-way ANOVA: Comparing the Means of Value Priority among Categories of Living

Value priority vs. Cities	Cities				Total	F-value	p-value
	Beijing	Shanghai	Guangzhou	Shenzhen			
Utility	6.4	6.71	7.59	7.33	7.01	2.260	.081 *
Economic value	7.05	6.98	6.74	7.64	7.1	1.249	.292

Enjoyment	5.69	5.07	6.23	6.04	5.76	2.656	.048 **
Sense of belonging	7	5.99	6.17	6.59	6.44	2.041	.108
Love	6.43	6.85	6.46	5.83	6.39	1.664	.174
Kinship affection	5.49	5.91	5.56	4.59	5.39	3.163	.025 **
Family	4.35	5	4.85	4.17	4.59	1.768	.153
Self-fulfillment	7.28	6.86	7.16	6.99	7.07	.316	.814
Social responsibility	6.82	6.94	6.86	7.36	7	.560	.641
Authority power	9.51	9.61	9.19	9.64	9.49	.468	.705
Social status	6.35	6.48	5.75	6.49	6.27	1.087	.355
Accomplishment	5.63	5.6	5.44	5.33	5.5	.203	.894

Notes: Significance: *p <0.1; **p <0.05; ***p<0.01

Table 43 Perceived Values in Advertising Ranking Comparison among City of Residence

Categories

Perceived values in advertising ranking comparison among city of residence categories				
Beijing	Shanghai	Guangzhou	Shenzhen	Overall
Family	Family	Family	Family	Family
Kinship affection	Enjoyment	Accomplishment	Kinship affection	Kinship affection
Accomplishment	Accomplishment	Kinship affection	Accomplishment	Accomplishment
Enjoyment	Kinship affection	Social status	Love	Enjoyment
Social status	Sense of belonging	Sense of belonging	Enjoyment	Social status
Utility	Social status	Enjoyment	Social status	Love
Love	Utility	Love	Sense of belonging	Sense of belonging
Social responsibility	Love	Economic	Self-fulfillment	Social responsibility
Sense of belonging	Self-fulfillment	Social responsibility	Utility	Utility
Economic	Social responsibility	Self-fulfillment	Social responsibility	Self-fulfillment
Self-fulfillment	Economic	Utility	Economic	Economic
Authority power	Authority power	Authority power	Authority power	Authority power

The respondents with different education levels show different value priorities. The mean scores indicate significant differences in shared values on family ($p\text{-value}=.001$) and kinship affection ($p\text{-value}=.073$). For the respondents with college and bachelor degrees, family, kinship affection, and accomplishment are the top three most attractive value themes in advertising. Compared to the overall results, the respondents with college degree show higher interest on love, self-fulfillment, and economic values, but lower interest on enjoyment, sense of belonging, and social responsibility. The respondents with bachelor degree rate sense of belonging and utility values higher than the average level, whereas social status and social responsibility score lower than the average level. For respondents with master's degree, family, accomplishment, and enjoyment are the top three most attractive value themes in advertising. They rate economic value and utility in relative prior positions, and social responsibility in a latter position. The respondents with doctoral degree show significantly different value priority from other respondents. The top three most attractive values for them are social status, accomplishment, and social responsibility. For these highly educated respondents, family, love, and kinship affection are placed in less important positions. However, considering that the sample size of people with a doctoral degree is small, the value ranking result is not applicable to all highly educated people.

Table 44 One-way ANOVA: Comparing the Means of Value Priority among Categories of Educational Background

Value priority vs. Education	Collage	Bachelor	Master	Doctor and above	Total	F-value	p-value
Utility	7.83	6.97	6.53	8	7.01	1.349	.258
Economic	7.02	7.28	6.4	8	7.1	1.353	.257
Enjoyment	6.69	5.68	5.43	5.8	5.76	1.718	.163
Sense of belonging	7.23	6.26	6.57	6.8	6.44	1.352	.257
Love	5.83	6.34	6.96	6.8	6.39	1.214	.304
Kinship affection	4.5	5.42	5.73	7.6	5.39	2.339	.073 *
Family	3.19	4.63	5.29	6.4	4.59	5.617	.001

Self-fulfillment	6.77	7.14	7.06	6.4	7.07	.244	.866
Social responsibility	7.25	6.99	6.97	5.4	7	.481	.695
Authority power	9.92	9.36	9.7	9.2	9.49	.611	.608
Social status	6.19	6.41	6	3	6.27	1.900	.129
Accomplishment	5.58	5.53	5.37	4.6	5.5	.201	.896

Notes: Significance: *p <0.1; **p <0.05; ***p<0.01

Table 45 Perceived Values in Advertising Ranking Comparison among Educational Background Categories

Perceived values in advertising ranking comparison among educational background categories				
College	Bachelor	Master	Doctor and above	Overall
Family	Family	Family	Social status	Family
Kinship affection	Kinship affection	Accomplishment	Accomplishment	Kinship affection
Accomplishment	Accomplishment	Enjoyment	Social responsibility	Accomplishment
Love	Enjoyment	Kinship affection	Enjoyment	Enjoyment
Social status	Sense of belonging	Social status	Family	Social status
Enjoyment	Love	Economic value	Self-fulfillment	Love
Self-fulfillment	Social status	Utility	Sense of belonging	Sense of belonging
Economic value	Utility	Sense of belonging	Love	Social responsibility
Sense of belonging	Social responsibility	Love	Kinship affection	Utility
Social responsibility	Self-fulfillment	Social responsibility	Utility	Self-fulfillment
Utility	Economic value	Self-fulfillment	Economic value	Economic value
Authority power	Authority power	Authority power	Authority power	Authority power

The respondents with different professions show different value priorities, as indicated significantly in the values of utility (p-value=.029), social responsibility (p-value=.008), and accomplishment (p-value=.009). Self-employed respondents consider success as the most attractive theme. Besides family value, these respondents are likely to pay attention to advertisements of accomplishment, economic values, and social status. For white collars, whose lives are relatively stable, they consider themes of family, kinship affection, and enjoyment as the most attractive, but show relatively weak interest in

personal success and social status. Middle-level and senior managers are likely to resonate with the values of family, enjoyment, accomplishment, and social status. They want to enjoy life after reaching middle and high positions. Officers like emotional themes, including family affection and love. Social responsibility is important to them. The top three most attractive values for accountants are the same as the overall result. However, accountants rate self-fulfillment in a relatively high position, whereas love and utility are placed in latter positions. For accountants, economic value is the least attractive theme, which can be explained by their professions. They are too familiar with economic values and, thus, are unlikely to be obsessed by this type of advertisement. Salespersons rate sense of belonging as the most attractive theme, which is different from others. They show strong interest in social responsibility. Professional executives rate kinship affection, family, accomplishment, and social status as the most attractive themes in advertising. For them, family is first priority and career success comes second. Social responsibility is important to them. Teachers rate social status, accomplishment, and economic value as the three most attractive themes. They are likely to resonate with stories of personal achievements. Meanwhile, they care about economic value, which can be attributed to the income level of the teacher. Engineers are likely to be pragmatists. For them, utility is the most important in advertising, while family and enjoyment come second. IT practitioners and programmers, which are currently considered the hottest occupations, value family, accomplishment, and kinship affection as the most attractive. Media practitioners are very familiar with advertising. They know about the stories and strategies embodied in advertisements. For them, the themes of accomplishment, social responsibility, and social status are the most attractive. Touching emotional themes, like love and family affections, seem uneasy to resonate with these professionals.

Table 46 One-way ANOVA: Comparing the Means of Value Priority among Categories of Professions

Value priority vs. professions	Self-employed	White collar	Middle-level manager	Senior manager	Office r	Accountant	Salesperson	Professional executive	Teacher	Engineer	Programmer/IT	Media practitioner	Other	Total	F-value	p-value
Utility	8.07	6.93	6.57	7.7	6.33	8.31	9	8	5.86	4.08	6.88	9.67	6.44	7.01	1.936	.029**
Economic value	6.09	7.4	7.25	7.17	10	8.31	6.89	6.89	5.57	5.5	6.71	7.67	8.33	7.1	1.187	.290
Enjoyment	6.86	5.51	5.31	5.52	5.33	6	6.78	7	7.14	5.25	5.76	7.33	6.22	5.76	1.336	.196
Sense of belonging	6.82	6.02	6.67	5.87	7.67	6.54	4.44	6.79	6.29	6.5	7.12	6.33	5.89	6.44	.747	.705
Love	6.64	5.76	6.72	6.13	4.33	7.38	4.89	6.42	7.43	8.17	6.24	7.67	4.22	6.39	1.549	.104
Kinship affection	5.57	4.93	5.6	6	5	5	5.67	4.26	8	6.17	5.47	4.67	3.78	5.39	1.176	.298
Family	4.43	4.38	4.76	4.39	2.67	4.69	4.44	4.26	7.29	4.92	4.29	5.67	4.22	4.59	.761	.691
Self-fulfillment	7.3	6.95	7.03	7.48	8	5.69	8.11	7.53	7.86	6.5	7.65	8.33	5.33	7.07	.725	.727
Social responsibility	6.55	7.37	6.85	7.13	5.33	6.77	4.78	6.32	5.71	8.67	8	3	10.22	7	2.300	.008***
Authority power	10.23	9.64	9.25	9.17	11.67	8.23	9.67	10.74	7.43	9.17	9.18	12	9.11	9.49	1.441	.145
Social status	5.36	7.02	6.25	5.83	5.33	6	7.56	5.53	4.43	7.17	5.94	4.33	7	6.27	1.279	.229
Accomplishment	4.09	6.09	5.75	5.61	6.33	5.08	5.78	4.26	5	5.92	4.76	1.33	7.22	5.5	2.274	.009***

Notes: Significance: *p <0.1; **p <0.05; ***p<0.01

Table 47 Perceived Values in Advertising Ranking Comparison among Profession Categories

Perceived values in advertising ranking comparison among profession categories						
Self-employed	White collar	Middle-level manager	Senior manager	Officer	Accountant	Salesperson
Accomplishment	Family	Family	Family	Family	Family	Sense of belonging
Family	Kinship affection	Enjoyment	Enjoyment	Love	Kinship affection	Family
Social status	Enjoyment	Kinship affection	Accomplishment	Kinship affection	Accomplishment	Social responsibility
Kinship affection	Love	Accomplishment	Social status	Enjoyment	Self-fulfillment	Love
Economic	Sense of belonging	Social status	Sense of belonging	Social responsibility	Enjoyment	Kinship affection
Social responsibility	Accomplishment	Utility	Kinship affection	Social status	Social status	Accomplishment
Love	Utility	Sense of belonging	Love	Utility	Sense of belonging	Enjoyment
Sense of belonging	Self-fulfillment	Love	Social responsibility	Accomplishment	Social responsibility	Economic
Enjoyment	Social status	Social responsibility	Economic	Sense of belonging	Love	Social status
Self-fulfillment	Social responsibility	Self-fulfillment	Self-fulfillment	Self-fulfillment	Authority power	Self-fulfillment
Utility	Economic	Economic	Utility	Economic	Utility	Utility
Authority power	Authority power	Authority power	Authority power	Authority power	Economic	Authority power
Professional executive	Teacher	Engineer	Programmer/IT	Media practitioner	Other	Overall
Kinship affection	Social status	Utility	Family	Accomplishment	Kinship affection	Family
Family	Accomplishment	Family	Accomplishment	Social responsibility	Love	Kinship affection
Accomplishment	Economic	Enjoyment	Kinship affection	Social status	Family	Accomplishment
Social status	Social responsibility	Economic	Enjoyment	Kinship affection	Self-fulfillment	Enjoyment
Social responsibility	Utility	Accomplishment	Social status	Family	Sense of belonging	Social status

Love	Sense of belonging	Kinship affection	Love	Sense of belonging	Enjoyment	Love
Sense of belonging	Enjoyment	Sense of belonging	Economic	Enjoyment	Utility	Sense of belonging
Economic	Family	Self-fulfillment	Utility	Economic	Social status	Social responsibility
Enjoyment	Love	Social status	Sense of belonging	Love	Accomplishment	Utility
Self-fulfillment	Authority power	Love	Self-fulfillment	Self-fulfillment	Economic	Self-fulfillment
Utility	Self-fulfillment	Social responsibility	Social responsibility	Utility	Authority power	Economic
Authority power	Kinship affection	Authority power	Authority power	Authority power	Social responsibility	Authority power

Respondents with different incomes show different value priorities, which are significantly indicated in the values of utility (p-value =.000), enjoyment (p-value =.002), and accomplishment (p-value =.040). From the value rankings, we infer that people with higher income are likely to care more about accomplishment and social status. The respondents with lower income are likely to care more about family and enjoyment. Moreover, for the respondents with income lower than 20000 RMB per month, the value theme of utility becomes effective in attracting their attentions. For respondents with lower income of around 5000–15000 RMB per month, enjoyment is the most attractive theme in advertising. For the rich middle class with high monthly income above 35000 RMB per month, accomplishment and social status are the most attractive values. By contrast, the traditional value of family and enjoyment are not very attractive for them. For the middle-income middle class whose income around 20000-30000 RMB per month, the value theme of sense of belonging and accomplishment are relatively important, which reflect their desires on success and sense of belonging in life.

Table 48 One-way ANOVA: Comparing the Means of Value Priority among Categories of
Income Level

Value priority vs. Income	5001– 10000	10001– 15000	15001– 20000	20001– 30000	30001– 35000	Above 35001	Total	F-value	p-value
Utility	6.44	6.22	5.26	7.53	8.08	8.48	7.01	5.479	.000 ***
Economic value	6.94	7.08	7.2	7.05	7.45	6.84	7.1	.241	.944
Enjoyment	5.2	4.66	6.43	6.27	6.2	6.52	5.76	3.766	.002 ***
Sense of belonging	6.76	6.34	6.63	5.93	6.79	6.12	6.44	.988	.425
Love	6.5	6.72	7.37	6.11	5.92	6.28	6.39	1.253	.284
Kinship affection	5.49	5.55	5.57	5.45	5.05	5.04	5.39	.308	.908
Family	4.19	5.02	5.03	4.48	4.49	5.24	4.59	1.055	.385
Self-fulfillment	6.82	7.14	7.06	7.57	6.73	6.96	7.07	.746	.589

Social responsibility	7.3	7.05	7.14	6.74	6.72	7.28	7	.442	.819
Authority power	9.79	9.28	8.31	9.65	9.48	9.84	9.49	1.469	.199
Social status	6.7	6.88	5.94	6.17	5.8	5.2	6.27	1.643	.148
Accomplishment	5.87	6.08	6.06	5.05	5.28	4.2	5.5	2.358	.040 **

Notes: Significance: *p <0.1; **p <0.05; ***p<0.01

At the time of data collection, the exchange rate was 1 USD=6.3709 CNY

Table 49 Perceived Values in Advertising Comparison among Income Categories

Perceived values in advertising ranking comparison among income categories						
5001–10000	10001–15000	15001–20000	20001–30000	30000–35000	Above 35000	Overall
Family	Enjoyment	Family	Family	Family	Accomplishment	Family
Enjoyment	Family	Utility	Accomplishment	Kinship affection	Kinship affection	Kinship affection
Kinship affection	Kinship affection	Kinship affection	Kinship affection	Accomplishment	Social status	Accomplishment
Accomplishment	Accomplishment	Social status	Sense of belonging	Social status	Family	Enjoyment
Utility	Utility	Accomplishment	Love	Love	Sense of belonging	Social status
Love	Sense of belonging	Enjoyment	Social status	Enjoyment	Love	Love
Social status	Love	Sense of belonging	Enjoyment	Social responsibility	Enjoyment	Sense of belonging
Sense of belonging	Social status	Self-fulfillment	Social responsibility	Self-fulfillment	Economic	Social responsibility
Self-fulfillment	Social responsibility	Social responsibility	Economic	Sense of belonging	Self-fulfillment	Utility
Economic	Economic	Economic	Utility	Economic	Social responsibility	Self-fulfillment
Social responsibility	Self-fulfillment	Love	Self-fulfillment	Utility	Utility	Economic
Authority power	Authority power	Authority power	Authority power	Authority power	Authority power	Authority power

6.5 Discussion

Dominant Social Values among the Emerging Middle Class in Urban China

The top 3 most important values among Chinese middle class are different from those of people in other countries. Many consumer researchers around the world have applied the LOV to identify the dominant values in various nations. Different countries and consumers were segmented based on the shared values. The findings of several studies were collected and compared cross-nationally. Table 50 shows the three most important values in several countries. Some countries endorse similar values, such as self-respect enjoyment and warm relationship. Differences are significant across time and among nations. We must be careful when comparing values among countries given that each study used different methods and samples. As time passes, shared values in certain nations may change, while other values remain important. Two studies on Japanese consumers, separately conducted in 1993 and 2000, provide clues on value changes. However, the three studies on U.S. consumers in 1989, 2000 and 2014 indicated a stable endorsement on the values of self-respect, security, and warm relationship.

Table 50 Three Most Important Shared Values: A Cross-national Comparison

Research	Top 3 shared values in different countries
Kahle and Kennedy (1989)	US: Self-respect, security, and warm relationship France: self-fulfillment, warm relationship, enjoyment
Keng and Yang (1993)	Japan: Self-fulfillment, warm relationship, security
Gregory and Shoham (2000)	US: Self-respect, security, warm relationship Japan: Enjoyment, security, accomplishment
Irvine and Kathleen (2002)	France: enjoyment, warm relationship, well-respected Australia: self-respect, self-fulfillment, enjoyment Maxico: Self-fulfillment, security.
Lee, Soutar and Louviere (2007)	Australia: Warm relationship, enjoyment, self-fulfillment
Marchand and Khallaayoune (2010)	Canada: Self-fulfillment, enjoyment, self-respect
Vincent (2014)	India: Sense of belonging, self-respect, enjoyment
Nwankwo et al. (2014)	US: Self-respect, warm relationship, security Morocco: Self-respect, security, self-fulfillment

Present study	China: Sense of security, sense of accomplishment, self-respect
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The top 3 most important values among Chinese middle class are sense of security, sense of accomplishment and self-respect. The bottom 3 values are enjoyment, warm-relationship and excitement. According to Schwartz's value system, sense of security belongs to the motivational direction of conservation; sense of accomplishment belongs to the motivational direction of self-enhancement; the value of self-respect belongs to the motivational direction of openness to change (Schwartz, 2012). The value of security is social focus, anxiety-based value (Schwartz, 2012). It is ranked as the most important in this study, which implies the middle class respondents cope with anxiety due to uncertainty in the society, to maintain stable life and harmonious social relations. The value of accomplishment is personal focus, anxiety-based value, connecting with self-protection against threat (Schwartz, 2012). Since middle class respondents consider their life full of uncertainty and are anxious about security, they are likely to choose enhancing themselves for achievement to protect their life against threat. The third most important value of self-respect is personal focus, anxiety-free value, connected with self-expansion and growth, which shows the self-awareness of middle class respondents in China. Chinese people is usually considered as living in collectivistic culture with strong awareness of conformity. The ranking importance of self-respect shows the value changes among the new middle class. The value of self-respect is a universal value that is well endorsed in many countries.

Compared to findings from other countries, the Chinese consider accomplishment and material success as the most important values, whereas people from the US and Europe rate values of self-respect, warm relationship, and sense of belonging higher than accomplishment. This finding indicates a sharp contrast between the east and the west. Different countries have different dominant values, which lead to dissimilar marketing strategies. Advertising using the appeals of accomplishment and success is frequently

seen in mass media in China. Advertisements targeting consumers who value accomplishment may use hints in tag lines, such as “a successful man like you deserves the best.” According to Kahle and Kennedy, people who endorse the value of accomplishment tend to be successful men with good educational background, job positions, and income, and seem to like conspicuous consumption (Kahle and Kennedy, 1989). Consumers tend to show their accomplishment by consuming products conspicuously (Belk, 1985; Solomon, 1992). Materialism among consumers is even used as a symbol of accomplishment (Richins and Dawson, 1992). Accomplishment and career success are important sources for sense of security. Many advertisements of finance products and real estate utilize the values of security and accomplishment, with hints like “your accomplishment should be guaranteed by us” and “Reinvest your fortune, gain more success.”

In this study, male respondents rate sense of accomplishment as the second most important value, while women rate sense of accomplishment as the third most important value. The traditional concept in Chinese families is that men work outside the home to make money and support the family as breadwinners, while women stay home to take charge of housework and take care of the elderly and children. Their social roles and gender perceptions influence the shared value ranking. Compared to men, women have less chance to acquire a sense of accomplishment and obtain respect from society. While working roles in a family are changing, given that most women still work after they get married, the roles of females in taking care of family members and dealing with family affairs do not change. From the results of this study we can see a trend that gender differences are reducing. One possible reason is that the respondents are middle-class people with good education, careers, and incomes. The female respondents are more likely to be white-collar rather than housewives.

In this study, female respondents value self-respect higher than do male respondents. However, in previous research, males scored higher on measures of self-respect than females (Feingold, 1994; Kling et al., 1999; Schwartz and Rubel, 2005). The awaking

awareness of self-respect among female respondents is a fresh finding. Females in China used to play collectivistic roles in the past and are always connected with family. The Chinese government has been strongly enhancing social gender consciousness and advocating legal equality of men and women. Many independent and successful women also emerge as role models for other women. Hence, hope is possible for women to be highly respected by society. The SKII advertising campaign in China tells a story about “unmarried leftover women,” which has been a longstanding concern in Chinese society. SKII President Markus Strobel expressed the ambition of this campaign is “to inspire and empower women to shape their destiny” (Chen, 2016). This advertisement went viral and received much positive support from urban professional women.



Figure 26 SKII: “Marriage Market Takeover” Advertising Campaign, 2016

Source: <https://www.youtube.com/watch?v=irfd74z52Cw>

Income level is the obvious evidence of economic capital that distinguishes the middle class. The middle class with various income levels shows different attitudes toward values. After comparing the value preference of the new middle class with various income levels, we see a tendency that respondents with higher incomes are likely to be attracted to advertising of collectivistic values, such as social status and social responsibility. People with lower income in this study show a strong interest in the

advertisements with themes of enjoyment and utility.

Cultural capital is an important criterion in defining the new middle class. Educational level is frequently used to evaluate cultural capital. After comparing the value preference of the new middle class with various educational backgrounds, we can infer a trend that respondents with higher education levels are likely to appreciate individualistic values better than people with lower education levels. Respondents with a college degree endorse values related to fundamental needs. Meanwhile, respondents with higher education levels are likely to pursue material and spiritual success, instead of security needs.

Professional differences on value preference are clear. The characteristics of certain occupations strongly affect value ranking. People whose work is group-oriented or stable prefer collectivistic values. The respondents include white collars, middle-level managers, officers, accountants, and media practitioners. However, respondents who usually work independently or are performance-oriented endorse individualistic values more frequently, such as self-employed, senior managers, salespersons, professional executives, engineers, and programmers/IT practitioners.

Impact of Dominant Values on lifestyles of the Middle Class

The emerging Chinese middle class is not similar to the middle class in the US because of different government policies. The social safety net, medical insurance system, and public education services are closely related to the daily life of the middle class. To some extent, middle-class people are vulnerable to financial freedom issues. Without financial stability and freedom, maintaining a decent middle-class life will be difficult. For the new Chinese middle class, maintaining their present social status is not easy. By contrast, compared with the middle class sticking to their current life, upper-class people pay more attention to the future. They feel more confident in their financial situation and are willing to accept high-quality life and invest in stocks, real estate, or financial products. Meanwhile, lower-class people consider more about the current

situation to survive in the fast-changing society. They prefer saving, which provides the safest solution and promise for the future. The World Bank China Poverty Assessment (2009) finds that Chinese families save a considerable portion of their income even when they are near-poor. The middle class is stuck between caring about both security needs and investment needs, which places them in a dilemma. The middle class is saving for house property, medical expenses, educational expenses for children, and retired living, among others. Hence, the middle class encounter difficulty in freewheeling consumption. They desire high-quality life, but worry about the current status quo at the same time. For instance, 86% of the middle-class respondents in this study express interests in financial and investment activities. Many middle class are cautious on their daily spending. To some extent, the middle class still comprise price-sensitive consumers who would be attracted to sales promotions.

Credit card consumption has gained popularity since 2000 in China. Many older consumers are cautious about credit card usage, whereas younger consumers who are heavily influenced by American culture use credit cards more frequently. Around 455 million credit cards were issued as of 2015 in China (Qin, 2015). Zhou (2013) believes that credit cards are the key stimulus for consumer spending and China's economic growth. The Chinese middle class usually use credit cards for convenience rather than borrow money for advanced consumption (Hays, 2008). For them, "saving first, spending second" is still applicable.

This study purposely selected the new middle class in urban China as the respondents. Among the respondents, 85% agree that daily consumption reflect social status. Furthermore, 81.1% of the respondents believe that fortune and social status are the best criteria to evaluate individual success. The value of accomplishment stimulates strong materialistic desires and conspicuous consumption. Juliet Schor (1999) argues that middle-class consumers are eager to upscale their lifestyles, practice conspicuous consumption, and compete to acquire status goods. She proposes a new status, which is the disconnection between consumer desires and incomes. A common phenomenon in

urban China is that a woman with 5000 RMB monthly income may purchase a Prada handbag that costs over 10000 RMB.

Advertisements with the theme of accomplishment are tempting for the middle class. These ads depict products as necessities for upper-class lifestyles. Given that middle-class people are eager for recognition by social groups and realize upward social mobility, the fast way is to consume and imitate the lifestyle of the upper class. In fact, the main sources and knowledge of upper-class lifestyles are from mass media and advertising (Schiffman and Wisenblit, 2014). Through imitating fashion, home decorations, and leisure activities of the middle and upper classes depicted in movies, TV series, and advertisements, consumers strengthen their values of accomplishment and social status.

The Chinese middle class have a strong will to become the leading and fashionable consumers around the world (Kharas and Gertz, 2010). An increasing number of Chinese consumers can afford luxury goods and the latest high-tech products. They show strong interests in high-end brands. According to Bain and Company (2016), the new Chinese middle class has become more sophisticated and knowledgeable about luxury. They are familiar with global pricing and overseas channels for purchase. Buying overseas has likewise been a trend for years. Although, middle-class consumers indulge themselves with luxury goods, they compare global prices and choose the best deals.

A trend identified in this study is that the Chinese middle class values hedonic values over pragmatic values. They like hedonic advertisements more than informational advertisements. Chinese consumers are considered pragmatic consumers who care for functional needs and best cost performance. Hence, 81% of the middle-class respondents agree that enjoying life is very important to them. Furthermore, 83.3% of the respondents pursue the life of high quality.

Interpreting the Dominant Values Preferred in Advertisements for the Chinese Middle

Class in China

1. Family: Deep-rooted Value for the Chinese

“Family” is a social concept that refers to a social group of several generations who have blood relationships. After a long agricultural culture in history, the family forms the basic unit of the Chinese society. In Confucian culture, the country is called “*Guojia*,” which means nation and home, and a group of people is called “*Dajia*,” which means big family. For Confucius, the family is the prototype of all social organizations (Hofstede and Bond, 1988). A person as a member of the family is more important than the individual. To maintain harmony in a family or organization, one should obey the relationship of family members by respecting the elderly and taking care of the younger generation. Individuality should be restrained (Hofstede and Bond, 1988). The law-based governance in ancient China was weaker than when men ruled with governance. The essence of man-ruled governance is the Confucian ethics system of heaven, earth, monarch, parents, and teachers (Hutton, 2014). In China’s long history, family has been placed in a very important position.



Figure 27 Nikon Camera, 2013

Source: <http://fotomen.cn/2013/12/nk-4/>

The typical Chinese style family is the extended family of three generations, which

include grandparents, parents, and children. In this definition, parents of both parents are included. A typical advertisement showing three generations together is the Nikon Camera advertisement in Figure 27. This advertisement shows the most common and most basic Chinese family unit. The concepts of family, blood relationship, and family ethics are deeply rooted in the mind of most Chinese. Grandparents, parents, and children are always in a family, even after the children have grown up. Every family member has to support one another, even after getting married. In this kind of family unit, parents consider their children their private property. They help and support their children and take care of them until they get married, which are regarded as the responsibility of the parents. Children consider home as their strongest support, and many people still live with their parents after getting married. Supporting and taking care of the parents of both husband and wife is a bound duty. When parents have children, the grandparents usually take the responsibility of taking care of the little ones. The relationship of family members is close, and family members usually accept the duty of taking care of one another without objection. Respecting the elderly and taking care of kids form the stable family system. Individualism is usually ignored and even suppressed in the family. The family blood relationship is relatively tight and strong compared to Western societies. Advertisements in products, such as real estate, automobile, and domestic decorations, frequently use family as the theme to legitimize their brands. These advertisements seem easily accepted by people who strongly agree with the value of family. Family as a dominant value used in Western advertisements is recognized by advertising researchers as well (Cheng and Schweitzer, 1996).



Figure 28 Patek Philippe Watch Advertisement, 2015

Source: IDEAT Magazine, issue 09, 2015.

The advertisement of Patek Philippe watch in Figure 28 tells a story of family heritage. The slogan in the advertisements is “you never actually own a Patek Philippe, you merely look after it for the next generation.” The advertising series use a globally accepted theme, which indicates that family heritage is a universal value that is cherished by elite and middle-class families.

2. *Kinship Affection: Natural and Purist Affection among the Chinese*

The family affection in China is more like the dedication spirit. Parents are willing to devote all unconditionally by giving family members the best life, education, and medical service. The most primitive human emotion embodied in advertisements can easily touch the audiences, improve call resonance, persuade audiences to trust the brand, and purchase the product. The advertisements try to convince consumers that offering the best living conditions for family members is their duty.

Family affection of the Chinese is about dedication, which includes giving back to parents as well. Parents work hard to provide a good life for their children. When children grow up and start to work, they should return the effort to their parents by taking care of them and providing a comfortable life. In recent years, many young

people propose the concept of “family affection as moral kidnapping,” and criticize the Chinese style of “pay-return” family affection. In China, parents commonly think that when they give their kids all the best, their children should return the effort. However, the generations born after 1990 want to pursue independent lifestyles. They want to get rid of the control of their parents. Hence, more advertisements and mass media try to construct a new type of family relationship and affection, one that is more equal, independent, free, and respectably showing affection, instead of endless dedication, benefit exchange, control, and obedience to parental arrangements.

The themes of kinship affection in advertisements are changing along with concepts. From endless dedication, themes now promote life enjoyment, respect for the individual, and pursuit of personality and freedom. What remains constant is the touching emotion. The strategy of family affection in advertising is still effective to most Chinese consumers. An advertising example is shown in Figure 29.



Figure 29 DAIKIN Air-Conditioner Advertisement

Source: *TRENDSHOME Magazine*, issue 12, 2015.

3. Accomplishment: Materialism as Success

Using accomplishment as a cultural value is usually connected with material success. Materialism and hedonism used to be as forbidden as capitalism was during the Cultural Revolution. After 1978, with the Reform and Open Policy implemented, free

market and private enterprise emerged. Becoming wealthy and showing off wealth were no longer forbidden. At the same time, more consumer goods were imported to the Chinese market. Owning status goods became the desire for many Chinese (Zhou and Belk, 2004), resulting in the acceptability and popularity of materialism in Chinese society. Material wealth and status goods are used to judge the success of individuals (Durvasula and Lysonski, 2010). Various advertisements of status goods are likely to depict the image of successful men and luxurious living settings to emphasize the value of accomplishment.

4. Enjoyment

Confucian tradition discourages enjoyment. Working hard and not spending more than necessary are considered virtues (Hofstede and Bond, 1988). Hedonism and conspicuous consumption are criticized. The 1950s and 1960s generations, whose ages range from 46 to 66, have devoted their whole life to work. For them, work and responsibility are more important than enjoyment, which is not a mainstream value for them. Conversely, the 1990 and 2000 generations, whose ages are around 16 to 26, want to live an easy life without much pressure. They care about enjoyment in life. Advertisements targeting young people often use happy elements to emphasize the value of enjoyment.

Enjoyment is an individualistic value that shows individual pleasure (Zhang and Shavitt, 2003). In a collectivistic culture like China (Hofstede, 1984), people care about in-group goals, such as family, sense of belonging, and well-being in the group. However, in individualistic cultures, people value personal goals over group goals when conflicts emerge between these goals (Zhang and Shavitt, 2003). In this study, respondents value enjoyment higher than sense of belonging, a ranking that indicates the changing situation in which the Chinese are starting to pay attention to individual feelings and pleasure. More advertisements depicting independent women enjoying a good life confirm this trend.

5. *Social status*

Social status is an old theme for the Chinese. In Confucian culture, the stability of society is based on the social status system among people. We are living in social groups. Social status includes all the relationships with other people, and consumption becomes the symbol of social status. Keywords, such as elite, upper class, luxurious lifestyle, are used in advertisements to appeal to the interest of the middle class. These words create an illusion that the Chinese can move to a higher class through owning these status goods. This thinking is typical of symbolic consumption. Hence, the middle class consumes the status meanings of the goods to express a sense of superiority, pride, and taste. Many luxury goods use the value of social status as an advertising strategy.

6. *Love*

To common people in China, love is dispensable and is not the most important virtue. The respondents in this study ranked love at the sixth dominant position. Confucian education teaches the Chinese that the greatest love is to devote themselves to country and family. Love between couples is personal affection, which should not be as important as country love. Love is a natural affection; however, Confucian culture seems to restrain love. In the past, parents and eldership arranged marriages. Females had no freedom to fall in love and choose their husband. Love was rarely mentioned. Moreover, public displays of affection were not acceptable. Direct physical contact between men and women should be avoided and little love tradition was found in Chinese culture. Love was more like a word from the Western culture with romantic love stories. Nowadays, advertisements of love in China often depict romantic images with European style to arouse the fantasy of romantic love. Several advertisements use attractive models and sexual hints to arouse emotional impulse.

7. *Sense of belonging*

The need for a sense of belonging varies from person to person. Several people have stronger desires to be acknowledged by groups and move upward to higher positions in the groups, such as leadership posts. Several people just want to be accepted and

remain safe in the groups as followers. Meanwhile, group membership leads to conformity. Conformity is the behavior of adjusting one's attitudes and behaviors to follow the norms of others, an act that is caused by fear of disapproval. As members of a collectivistic culture, Chinese people show a strong tendency toward conformity (Xiong and Yu, 1993) by trying their best to be accepted by social groups or organizations to keep safe in the society. Advertising often use hints, such as "People like you are all using the product" or "Want to be part of us? Buy it," to seek resonance from the audience.

8. Social responsibility

Corporate social responsibility contains four dimensions, namely, economic, legal, ethical, and philanthropic (Carroll, 1991). With social responsibility, corporations carry out their business in a positive manner to enhance the well-being of the society, natural environment, and consumers (Kotler, 1991). The emergence of social responsibility advertisements has a social background. More consumers have social consciousness. They start to become aware of the consequence of their consumption. The new urban middle class often participates in social issues, with the hope of bringing positive social changes. They tend to resonate with advertisements containing the value of social responsibility. According to previous research, advertisements with the theme of social responsibility will increase the willingness of consumers to purchase the products from the corporation launching the advertisement (Ross, Patterson and Stutts, 1992). Moreover, many consumers admit that they appreciate the companies actively participating in social issues and charity activities.

9. Utility

At the beginning of the development of Chinese advertising, the key role of advertising was to inform consumers about the existence of the product. The introduction of function and effectiveness constituted the main content of one advertisement. Nowadays, amidst the fierce competition with numerous homogenized products, advertisements only focusing on utility value may not be so competitive. Moreover,

consumer knowledge about products increases. Consumers may know about the functions without reading the advertisement. For innovative products, consumers may need functional information from advertisements to fill the knowledge gap. Combining the value of utility with other dominant values in advertising becomes the mainstream choice.

10. Self-fulfillment

Self-fulfillment is to realize one's deepest desires and capacities, which is different from sense of accomplishment. Self-fulfillment is about personal dream and striving. Sense of accomplishment is to achieve what most people desire for, like career success and fortune. This value is usually endorsed by young urban professionals (Kahle and Kennedy, 1989). Expensive goods, like automobiles and house property, often use the value of self-fulfillment to encourage the young people to work hard to realize their dreams and live a good life. They usually use the hint, "If you can dream it, you can achieve it."

11. Economic Value

Chinese consumers are considered as pragmatists who care about cost performance and show strong interest in saving and investment. From the ranking, we see that economic value was ranked at 11th place. The stereotype of the pragmatist is changing among the new middle class. The new middle class considers enjoyment and functions as more important than economic value and cost performance. The respondents in this study strongly agree that they are pursuing a high-quality life.

12. Authority power (Expert/celebrity)

Authority power refers to the advertisements using experts, celebrities, singers or movie stars as spokesperson to promote the products. The power of authority is considered to be transferred to the advertised products. Authority power is one of the most frequently used advertising strategies in Chinese advertising. In this study, authority power is rated as the least attractive value theme in advertisements, although it frequently appears in Chinese advertisements. It used to be effective. However, the

situation is changed when targeting middle class consumers. For Chinese middle class, the identity of the spokesperson will not determine their judgment on the product or service because they have their own knowledge system to make the right decision. By contrast, people from the lower class with little knowledge about product and mass media may have difficulty in making a purchase decision. For them, the easiest choice is to trust the experts, singers, or movie stars they like. For many people, a huge investment in spokespersons proves the economic strength of the enterprise. The product of a big enterprise is usually not too bad compared to anonymous brands. Therefore, when launching a new product or brand, the advertising campaign with an expert/celebrity endorsement is better than advertising without a spokesperson. Although the celebrity endorsement may be influential, this value is not a decisive factor in purchasing products.

6.6 Relationship among Advertising, Values, and Lifestyles

After compared the most important values shared by individuals and their preferred value themes in advertisements, we found that most values shared by individuals coincide with the values in advertising preferred by individuals. Top 5 most important values shared by Chinese middle class are: sense of security, sense of accomplishment, self-respect, well respected and sense of belonging. Top 5 most attractive values preferred in advertisements for Chinese middle class are: family, kinship affection, accomplishment, enjoyment and social status. In this survey, the respondents were asked about the source of the sense of security. Most of them selected family and income as the most important source of sense of security. The attractiveness of the value themes of family and kinship affection to the respondents can reflect their desire on sense of security.

When examining demographic differences on value rankings, many similarities between two types of value rankings are identified. Male middle class consumers consider sense of security, sense of accomplishment, well-respected and enjoyment as more important in their life, they are likely to be attracted by the advertisements with

value themes of family, accomplishment and social status. Female middle class consumers consider sense of security, self-respect, sense of belonging and warm-relationship as more important, they are likely to be attracted by the advertisements with value themes of family, kinship affection and love. For young middle class consumers who aged between 26 to 30, they endorse the values of sense of security, self-respect and sense of belonging as more important, they may like the advertisements with value themes of family, enjoyment or sense of belonging. For old middle class consumers who aged between 31 to 40, they endorse sense of accomplishment and well-respected as more important, they may like the advertisements with value themes of sense of accomplishment or social status. The middle class consumers living in Beijing rate sense of security, self-respect and sense of accomplishment as the most important values in life, they like the advertisements with value themes of family, kinship affection and sense of accomplishment. The middle class consumers living in Shanghai consider sense of security, self-respect and sense of belonging as the most important value in life, they like the advertisements portrayed family, enjoyment, accomplishment and sense of belonging. The middle class consumers living in Guangzhou and Shenzhen rank accomplishment as the most important, they like the advertisements of accomplishment and social status best. For the middle class with college degree, they consider sense of security well-respected and sense of accomplishment as more important in their life, they are likely to be attracted by the advertisements with value themes of family, accomplishment and self-fulfillment. For the middle class with bachelor degree, they consider sense of security, sense of accomplishment and well-respected as more important in their life, they are likely to be attracted by the advertisements with value themes of family, accomplishment and sense of belonging. For the middle class with master degree, they consider sense of accomplishment and sense of belonging as more important in their life, they are likely to be attracted by the advertisements with value themes of sense of accomplishment, enjoyment and social status. For the middle class with doctor degree,

they value sense of fulfillment, self-respect and enjoyment as the most important, they are like the advertisements with values themes of social status, sense of accomplishment and social respect. The middle class with lower income (below 20000 RMB per month) rate sense of security, self-respect, sense of belonging and sense of accomplishment as more important, they like the advertisements with value themes of family, enjoyment, kinship-affection and accomplishment. The middle class with middle level income (20000-30000 RMB per month) rate sense of security, sense of accomplishment and sense of belonging as more important, they are likely to be attracted by the advertisements portrayed family, accomplishment or sense of belonging. The middle class with higher income (above 30000 RMB per month) endorse sense of accomplishment, sense of security and enjoyment as the most important, they like the advertisements with value themes of accomplishment, kinship affection and social status.

From the comparison we can infer that the interrelationships between individual value rankings and preferred values in the advertisements by individual. They may like some advertisements more than others, because their own values resonate with the values delivered in the advertisements, or these advertisements can speak out their hidden desires, like family, success or social status.

Top five most frequently appeared value themes in advertisements identified in Chapter 4 are: utility, enjoyment, social status, sense of accomplishment and authority power. Among them, the value of enjoyment, social status and sense of accomplishment match with the most attractive values preferred in advertisements for Chinese middle class. Besides the most popular advertisements introducing functions and effectiveness, the advertisements carrying symbolic values of social status, enjoyment and accomplishment are frequently appeared in mass media and are very popular among middle class consumers in China. Pursuing accomplishment, social status and personal enjoyment become the main stream values among urban middle class in post-reform China.

Lifestyles result from shared values and reflect in consumption behavior (Veal, 1993). Four lifestyle segments of urban middle class are identified in this research: trendy achievers, experiencers, strivers and pragmatists. Their lifestyle characteristics reflect their value priorities. For trendy achievers who desire to be successful elite and leading the fashion among social groups, they endorse the values of sense of accomplishment, enjoyment and social status best. For experiencers who care about the enjoyment and quality of life, they are likely to rate the value of enjoyment over other values. For strivers who desire for success and work hard to raise social status, they are likely to endorse sense of security, accomplishment and social status. For pragmatists, the smallest group who reject conspicuous consumption and over indulgence in enjoyment, they are likely to value sense of security higher, and value accomplishment and enjoyment lower.

These findings are supported by other scholars. Advertising links a product to the values of audiences by establishing different rituals and cultural symbols in the advertisements (De Mooij, 2010). Perceived values in advertising show various levels of importance to individual understanding and purchase decisions (De Mooij, 2010). Consumers decide to buy certain products partly to reflect their values and strengthen their lifestyles. Values, lifestyles, and consumer behaviors indicate certain correlations (Kahle and Kennedy, 1989). Consumers can be described or measured along value dimensions. Several values serve as living criteria that are mutually shared by most people. Everyone can believe in many values, but their ranking of these values indicates the criteria that distinguish individuals (Pollay, 1987).

The interrelationships among advertising, values and lifestyles in China are illustrated in the Figure 30. This figure is inspired by the meaning transfer model, which was proposed by McCracken (1986).

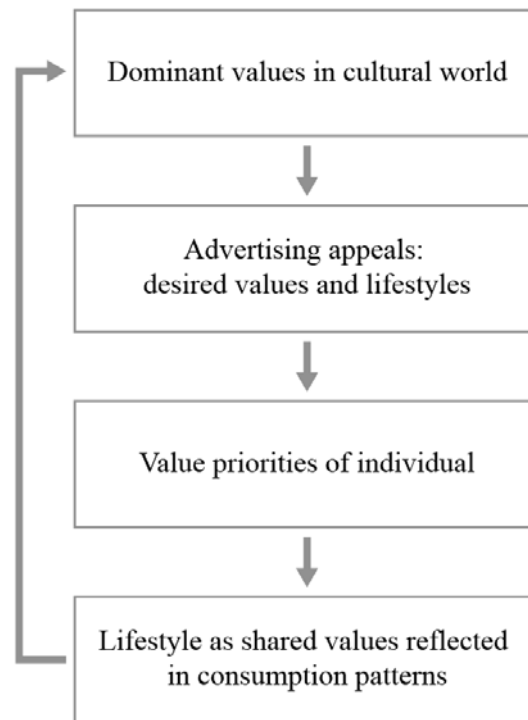


Figure 30. The Interrelationships among advertising, values and lifestyles

Source: Author's own composition, 2016

We are living in a society with specific cultural traditions and values. Dominant cultural values influence our attitudes and behavior explicitly or implicitly. Advertising is a sociocultural communication conveying values (Cheng and Chan, 2009), not merely commercial communication persuading audiences to purchase. All advertisements carry values to some extent. Values offer an opportunity to differentiate brands by going beyond product functions and offering symbolic meanings (de Mooij, 2010). The dominant values frequently used in advertisements during certain periods can reflect the popular cultural values advocated in the society. Advertisements are considered as more persuasive and effective when they reflect mainstream cultural values instead of ignoring them (Cheng and Chan, 2009). Given that certain values are changing, advertising maintains long-established values and leads in changing trends and precipitating changes in consumer behaviors (Pollay, 1983). However, given that advertising is a “distorted mirror,” advertisers advocate certain values as being more important than others on purpose (Sivulka, 2012). Advertising reflects only selected

attitudes, behaviors, values, lifestyles, and philosophies that work for the interest of sellers. In this study, the five most frequently used value themes in advertising targeting Chinese middle-class consumers are utility, enjoyment, social status, sense of accomplishment, and authority power. To a certain extent, these five frequently used values in advertising reflect the present social trends in China.

Advertising depicts desired lifestyles and values for their potential consumers, such as what they want, what they consider as important, and what are the best decisions for them. One of the purposes in advertising design is to express the hidden desires of potential consumers. Perceiving advertisements in the right way is important. People with specific cultural backgrounds create advertising messages. Then, audiences use their cultural values and knowledge to decode advertising messages. This decoding process is selective perception, which means that audiences will best understand and resonate with messages that fit existing schemata (de Mooij, 2010). Besides, under intensive advertising penetration and information overload, consumers become more selective in what catches their attention. The audiences nowadays selectively read advertisements and ignore the ads that do not fit their values, lifestyles, and experiences. In this study, middle-class respondents select their five preferred value themes in advertising, namely, family, kinship affection, accomplishment, enjoyment, and social status. According to the results, we can infer that family, personal success, social recognition, and enjoying life are most desired by the Chinese middle class.

The dominant values held by individuals are influenced by society, cultures, and traditions, among others. The value priorities are different for people with different genders, ages, education levels, professions, incomes, and social status. The core values in Chinese culture are stability, such as family and accomplishment. The emerging value of enjoyment then becomes influential. According to the results of this study, among the LOV by Kahle and Timmer (1983), the five most important values held by the Chinese middle class are sense of security, sense of accomplishment, self-respect, well respected, and sense of belonging. For them, the needs of security, success, and

respect are stronger than other needs and desires. The strong need for accomplishment and personal success is identified in Chinese advertisements.

Lifestyles construct the living world of modern consumer culture. As Douglas and Isherwood (1996) proposed, consumers select goods to mark the transition of a life stage, express their identities, show their belongingness to a group, and even escalate their social status. People in the same lifestyle segments are likely to share similar sets of values. As shared values are reflected in consumption patterns, lifestyles are culture-specific, and thus, require careful examination before application to other cultures. Cultural differences, personal motivation, and social influences lead to various lifestyles.

Advertising plays an important role in guiding and shaping the lifestyles of common people. Today, advertising delivers information, functions, meaning, and symbolic value of a product, all of which are then transferred to consumers. Advertising becomes the knowledge source for consumers in the emerging market as well. Compared to consumers in developed markets, Chinese consumers need more brand and lifestyle knowledge to make purchase decisions.

Lifestyles and shared values result from group influences (Berkman and Gilson, 1974). The lifestyles of individuals also affect group trends of lifestyles and shared values. If the impact of a lifestyle trend was strong enough, dominant values in the society would be changed. The popularity of the value of enjoyment in China is an example. Chinese consumers were formerly considered pragmatic consumers who cared for functional needs and best-cost performance. However, in this study, the value of enjoyment is ranked as the fourth most attractive theme in advertising. For the middle-class respondents, 81% agree that enjoying life is very important to them. This result indicates a trend identified in this study that the Chinese middle class prioritizes hedonic over pragmatic values. Advertising has been playing an important role in promoting the value of enjoyment, which ranks as the second frequently used value in magazine advertisements that target middle-class readers.

6.7 Conclusions

The dominant value rankings and demographic differences on value preference are examined in this study. The most important values shared by the Chinese middle class are sense of security, sense of accomplishment, self-respect, well respected, and sense of belonging. A trend of dominant social values from collectivism to individualism is identified. Both male and female respondents show endorsements on individualistic values, such as accomplishment and self-respect, which can be explained as gender equality trend. The younger middle class endorses individualistic values over collectivistic values, whereas the older middle class endorses collectivistic values over individualistic values. The respondents with a college degree endorse values related to fundamental needs. The respondents with higher education levels are likely to pursue material and spiritual success, instead of security needs.

The impact of dominant values on lifestyles and consumption attitudes is examined, which shows that the Chinese middle class is interested in status and conspicuous consumption. This finding is consistent with the values of accomplishment and social status. Moreover, hedonic consumption has become popular among the Chinese middle class. Enjoying life is considered important for the Chinese middle class, a perspective that is different from traditions. The dominant value rankings and demographic differences on value preference can then be a theoretical reference for designers and advertisers. Paying close attention to culture and value changes will be useful in making precise strategies.

The preference of dominant values in advertising for the Chinese middle class reveals five of the most attractive value themes. These themes are family, kinship affection, accomplishment, enjoyment, and social status. The respondents with higher incomes are likely to be attracted by the advertising of collectivistic values, such as social status and social responsibility. People with lower incomes in this study show a strong interest on advertisements with the themes of enjoyment and utility. The respondents with higher education levels are likely to appreciate individualistic values better than people with lower education levels. The respondents with college degrees endorse values related to fundamental needs. By contrast, respondents with higher education levels are likely to pursue material and spiritual success, instead of security needs.

The research in value and advertising presents new knowledge about the values of enjoyment, social responsibility, and utility. The new middle class in China considers enjoyment as one of the most attractive value themes in advertising, which indicates their strong desire to enjoy life. Enjoying life is not part of Chinese tradition, given that enjoyment is seen as a Western value concept. The new Chinese middle class now accepts enjoyment as an important value in the life they desire. They have learned from Western lifestyles to “enjoy” their own life. The value theme of enjoyment advocates hedonist consumption, which is a new consumption pattern worthy of notice. The value of social responsibility becomes important for the new Chinese middle class. As a well-educated social class with decent careers, the new Chinese middle class is starting to care about social and environmental issues. For them, social responsibility is important for a corporation and for individuals. From the findings, we see that new middle-class consumers appreciate the active promotion of social responsibility of companies in their advertisements. When we talk about consumerism among the Chinese middle class, we cannot ignore their growing awareness of social and environmental issues. The value of utility becomes less important for new middle-class consumers. For them, the symbolic, emotional values of a product are more attractive than functional values. Traditionally, Chinese consumers are considered as pragmatists who pursue high-cost performance. For the new middle class, enjoyment, status values,

or social responsibility are more important than utility and economic values. Noticing this change helps marketers and advertisers to adjust strategies and communication with new Chinese middle-class consumers.

Based on the findings of values, lifestyles, and advertising in China, this chapter investigated and established the relationship among advertising, values, and lifestyles in the emerging market. Advertising plays a mediating role in leading social trends on dominant values and lifestyles. With pervasive influences, advertising shapes social values and lifestyles of middle-class consumers.

Chapter 7 Conclusion

Abstract

Chapter 7 concludes with answers to research questions, the research knowledge contributions, implications for designers, advertisers, marketing, and branding.

7.1 Answers to Research Questions

The research aims to explore the concepts of advertising, values, and lifestyle in an emerging market. Thus, analysis reveals the roles of advertising and the relationship of advertising, values, and lifestyles of the middle class in post-reform China. The research seeks to understand the lifestyle segments of the Chinese middle class, their attitudes toward advertising and values, and the influences of advertising in shaping their lifestyles. To obtain relevant answers, advertising and consumer theories from developed markets are applied to examine the emerging market. The differences among the Chinese middle class on value rankings, lifestyle segments, and attitudes to advertising are identified in this research.

The research seeks to answer several research questions. The main empirical findings are chapter-specific and summarized in Chapters 4, 5 and 6. This section will synthesize the research findings to answer the research questions.

Research question 1:

What values are frequently used in Chinese advertisements targeting middle-class audiences?

As analyzed in Chapter 4, five of the most frequently used values in Chinese advertisements targeting middle-class audiences are utility, enjoyment, social status, accomplishment, and authority power. The value of utility is still the most frequently used value in various advertisements, especially among the product categories of electronic devices, high-end watches, and skincare products. The value of enjoyment is the second most dominant value. Prior to reforms, enjoyment was not encouraged in China. As the country follows a collectivistic culture, the Chinese value group goals, benefits, and needs over individual benefits. Social norms and in-group beliefs are rated prior to individual pleasures. However, the situation is changing. The lifestyle

magazines targeting the middle class use the value theme of enjoyment to promote Western advanced lifestyles and stimulate hedonic consumption. Social status is the third most dominant value identified. The middle class has a strong will to express their social status via ownership of consumer goods. Advertising plays an important role as status symbol and transfers symbolic value of a product to the consumers. Many status goods use the value of social status to trigger symbolic consumption. Overall, individualistic values, such as enjoyment and accomplishment, frequently appear more than collectivistic values in lifestyle magazines targeting the new Chinese middle class.

Are specific values associated with particular product categories in Chinese advertisements targeting middle-class consumers?

Yes, differences exist in dominant values and product categories. Products, such as domestic appliances and skincare, favor the value of utility over other values. Wine advertisements favor the value of accomplishment over other values. Brand origins show differences on dominant values used in advertisements. Local brands use collectivistic values of kinship affection, sense of belonging, social responsibility, and authority power more frequently than foreign brands do.

Do values in Chinese advertising differ on magazine categories targeting middle-class consumers?

Yes. Magazines with different positioning show various preferences on dominant values in advertising. Business and news related magazines favor the value of accomplishment over other values. Home decoration magazines play the role of home-style guide and recommend products to audiences, as well as most frequently use the value of utility. The main purpose of lifestyle magazines is to encourage people to try the latest lifestyle trends. Hence, advertisements in these magazines use the value of enjoyment most frequently. Positive correlations exist between magazine contents, advertising style, and value themes

Research question 2:

What are the characteristics of different consumer segments of the middle class and their lifestyle preference in post-reform China?

Scholars usually consider Chinese middle class as a whole group of homogeneous consumers, and thus recommend one advertising strategy for the whole class. Few studies have discussed the intra-class differences among middle class consumers. As studied in Chapter 5, middle class in China is a heterogeneous class with diverse consumer segments. This research successfully established four lifestyle segments of middle-class consumers. The similarities and differences of demographics and psychographics were compared to create the profiles of their lifestyles.

a. Dominant lifestyles of the new urban middle class in post-reform China

After collecting the attitudes to lifestyles of 400 middle-class respondents in four Tier-1 cities in China in Chapter 5, we then processed the information using factor analysis. Six key lifestyle factors were identified in urban China, namely, trendy and success-driven, “Western is best,” petty bourgeoisie lifestyle, money conscious, lifestyle of health, and sustainable, pragmatic struggling lifestyle. The detailed explanations of six lifestyle factors can be found in Chapter 5.

b. The characteristics of different consumer segments of the new middle class and their lifestyle preference in post-reform China

This study has identified four lifestyle groups among the new middle class in post-reform China, namely “experienter”, “striver”. “trendy achiever” and “pragmatist”. *Experiencers (33 percent)*. This group scored highly on “Trendy and success driven” and “LOHOS.” They scored relatively low on “Western is best” and “Pragmatic struggling lifestyle”. These respondents were labeled as “experiencers,” because they strongly agree with pursuing trendy, healthy, romantic lifestyles but do not consider Western brands and products as the only choice. This group comprises 53.8% male and 46.2% female; 28.8% of them living in Guangzhou, 28% of them living in Shenzhen, 22% of them living in Shanghai and 21.2% living in Beijing. 73.5% of them hold a bachelor degree. This group has a middle level of income and education among

four groups.

Strivers (22.75 percent). This group scored positively on the lifestyle factor of “money conscious” and negatively in the lifestyle factors of “trendy and success driven” and “LOHOS.” These respondents were labeled as “strivers,” because they agree with hard work, desire for success, cautious spending lifestyle and disagree with hedonist lifestyles. This group comprises 49.5% male and 50.5% female; 35.2% living in Beijing; 24.2% of them living in Shanghai; 20.9% of them living in Shenzhen, 19.8% of them living in Guangzhou. 69.2% of them hold a bachelor degree. This group has a relatively low level of income and education compared with the other groups.

Trendy Achievers (37.5 percent). It is the largest segment. The cluster center scores on the lifestyle factors are all positive. They scored highly in “Western is best” and “trendy and success driven.” Therefore, these respondents were labeled as “trendy achievers.” This group comprises 47.3% male and 52.7% female. 28.7% of them living in Shanghai; 26.7% of them living in Guangzhou, 25.3% of them living in Shenzhen, and 19.3% living in Beijing. 64% of them hold a bachelor degree and 25.3% of them hold master degree. This group has a relatively high level of income and education compared with the other groups.

Pragmatists (6.75 percent). It is the smallest segment. The cluster center scores on the lifestyle factors are all negative. They scored negatively high in “Western is best” and “trendy and success driven,” which means they do not consider trendy lifestyles and Western brands as very important in their lives. According to the mean scores on lifestyle statements we can see that these respondents desire for a good life and they hope to travel, they do not care about fashion information and popularity, they pay most attention on high cost-effective products, rather than brand, trend or fame. They hold a “don’t matter” attitude on those lifestyle statements in general. They are pragmatic in showing lifestyle tendencies. These respondents were labeled as “pragmatists.” This group comprises 48.1% male and 51.9% female; 40.7% living in Beijing; 22.2% of them living in Shanghai; 22.2% of them living in Shenzhen, 14.8% of them living in Guangzhou. 74.1% of them hold a bachelor degree. This group has a relatively low

level of income compared with the groups of experiencers and trendy achievers.

c. Attitude differences of lifestyle segments to advertising

Four lifestyle segments of new urban middle class share some mutual attitudes toward advertising. All the segments approve of advertising in general and admit the importance of advertising in leading fashion trends. They trust the authoritativeness of media, and therefore, strongly prefer to buy products they have seen in advertisements prior to purchasing. Advertising offers authoritative product information. This finding proves the power of advertising in promoting products.

The differences among four segments on the attitudes toward advertising are identified as well. For pragmatists, advertising is an information deliverer, serving to inform consumers about the existence and functions of products. Pragmatists care little about the lifestyles indicated in advertising. For strivers, advertising is influential to their life, but they show little trust in the statements advertising makes. Advertising shows little power in changing their purchase decisions. For experiencers and trendy achievers, advertising is important in guiding their lifestyles and making purchase decisions. Trendy achievers show the strongest enthusiasm in learning from advertising and sharing advertising with friends. They like to share their understanding on advertising, consumption, and lifestyles. Compared to trendy achievers, experiencers care less about fashion trends and more about the quality of living. A comparative table is listed below.

Attitudes of lifestyle segments to advertising			
Trendy Achievers	Experiencers	Strivers	Pragmatists
<ul style="list-style-type: none"> • Strongest supporters • Heavy attentions on ads • Decision making closely connected with ads • Willing to share ads • Ads as the most important lifestyle guide 	<ul style="list-style-type: none"> • Positive attitudes • Weaker than trendy achievers • Certain influence on lifestyles • Prior to purchase ad appeared products • Ad not key determining factor 	<ul style="list-style-type: none"> • Neutral attitude • Ads leads the trends • Little trust on ads • Ads hard to change decision making 	<ul style="list-style-type: none"> • Neutral to negative attitude • Ads just as information deliverer • Little fantasy on “good life” • Skeptical on the lifestyles in ads

Figure 31 Attitudes of Lifestyle Segments Toward Advertising

Source: Author's own composition, 2016

Research question 3:

What are the dominant values shared by the new urban middle class in post-reform China ?

As concluded in Chapter 6, the most important values shared by the Chinese middle class are sense of security, sense of accomplishment, self-respect, well respected, and sense of belonging. Sense of security is selected as the most important value by middle-class respondents in urban China. Chinese people show a strong need for sense of security, and they work hard to acquire enough security. Chinese middle class endorsed sense of accomplishment as the second most important value in life. Compared to findings from other countries, the Chinese rate accomplishment as a more important value. Values of self-respect and being well-respected are about the maintenance of “face.” Saving face means maintaining a good image of the self. Losing face means losing dignity, whereas giving face means paying respect to other people. In China, saving and giving face are important in social relations. Sense of belonging is rated as the fifth important value for Chinese middle class. Sense of belonging is found across cultures. The ranking of sense of belonging in China is relatively low

compared to the value rankings in Denmark, Germany (Grunert, Grunert and Beatty, 1989) and Norway (Kahle, Beatty and Homer, 1989). Belongingness to social groups and positions in the social groups likewise help individuals mark their social status. Sense of belonging is one of the most important human motivations. A strong sense of insecurity arises if people feel they do not belong.

Significant demographic differences are seen in value priorities. A trend of dominant social values from collectivism to individualism in China is identified. Both male and female respondents show endorsements on individualistic values, such as accomplishment and self-respect. This finding can be explained as a gender equality trend. The younger middle class endorses individualistic values over collectivistic values, whereas the older middle class endorses collectivistic values over individualistic values. The respondents with college degrees endorse values related to fundamental needs. The respondents with higher education levels are likely to pursue material and spiritual success, instead of security needs. The impact of dominant values on consumption attitudes is examined. The comparison of consumption attitudes between the middle class in western and Chinese societies indicates that the latter is interested in status and conspicuous consumption, consistent with the values of accomplishment and social status. Moreover, hedonic consumption has become popular among Chinese middle class. Enjoying life is considered as important for the new Chinese middle class, which is a different behavior compared to traditional practices.

Research Question 4:

Which value themes in advertising are considered as most attractive by Chinese middle-class audiences?

As concluded in Chapter 6, the five most attractive value themes in advertising for the new Chinese middle class are family, kinship affection, accomplishment, enjoyment, and social status. Family and kinship affection are typical collectivistic values that are considered as the most touching values in advertising. Accomplishment and enjoyment are individualistic values, which are considered as the second most attractive themes in

advertising. From the value ranking, we see that although the Chinese middle class accepts both collectivistic and individualistic values, they generally prefer the former over the latter. The new middle class in China considers enjoyment as one of the most attractive value themes in advertising, which indicates their strong desire to enjoy life. The value of social responsibility becomes important for the new Chinese middle class. As a well-educated social class with decent careers, the new Chinese middle class is starting to care about social and environmental issues. The value of utility becomes less important for new middle-class consumers. For them, the symbolic, emotional values of a product are more attractive than functional values.

The older respondents endorse the sense of accomplishment and social responsibility in advertising higher than the younger respondents do. The respondents with higher incomes are likely attracted by the advertising of collectivistic values, such as social status and social responsibility. People with lower incomes in this study show strong interest in advertisements with themes of enjoyment and utility. The respondents with higher education levels are likely to appreciate individualistic values better than people with lower education levels. The respondents with college degrees endorse values related to fundamental needs. The respondents with higher education levels are likely to pursue material and spiritual success, instead of security needs.

Research Question 5:

What is the relationship among advertising, lifestyles, and values of the new middle class in post-reform China?

After compared the most important values shared by individuals and their preferred value themes in advertisements, we found that most values shared by individuals coincide with the values in advertising preferred by individuals. When examining demographic differences on value rankings, many similarities between two types of value rankings are identified. Among the top five most frequently appeared value themes in advertisements, the value of enjoyment, social status and sense of accomplishment match with the most attractive values preferred in advertisements for Chinese middle class. Furthermore, the value rankings can explain the lifestyle

characteristics of four lifestyle segments of Chinese middle class. From these comparisons we can identify the interrelationships among advertising, lifestyles, and values.

The relationship among advertising, lifestyles, and values is depicted in Figure 34 (see in Chapter 6). We are living in a society with specific cultural traditions and values. Dominant cultural values influence our attitudes and behavior explicitly or implicitly. Many researchers suggested that values can influence the consumer attitudes and consumption behavior (Becker & Conner, 1981; Shim & Eastlick, 1998; Kim, Forsythe, Gu, & Moon, 2002; Kim and Chung, 2011; Sheeraz, Iqbal and Ahmed, 2012). Values offer an opportunity to differentiate brands by going beyond product functions and offering symbolic meanings (de Mooij, 2010). Moreover, values are changing. On one side, advertising maintains enduring values, and on the other side, advertising promotes changing values that influence the whole society. Advertising can then reinforce cultural values (De Pelsmacker et al., 2013). However, advertisers advocate certain values as being more important than others on purpose (Sivulka, 2012). Advertising reflects only selected attitudes, behaviors, values, lifestyles, and philosophies that work for seller interests. To a certain extent, the dominant values identified in the research can reflect the present social trends in China.

Advertising depicts the desired lifestyles and values for potential consumers, including what they want, what they consider as important, and what are the best decisions for them. One of the purposes in advertising design is to express the hidden desires of potential consumers. The audiences use their cultural values and knowledge to decode advertising messages. This decoding process relies on selective perception, which means that the audiences will best understand and resonate with messages that fit existing schemata (de Mooij, 2010). Numerous studies confirm that consumers positively respond to culture-congruent appeals (De Pelsmacker et al., 2013).

Lifestyles result from the shared values and are reflected in consumption patterns (Veal, 1993). Lifestyle constructs the living world of the modern consumer culture. People in the same lifestyle segments are likely to share similar sets of values. As shared values

reflect in consumption patterns, lifestyles are culture-specific, thus requiring careful examination before application to other cultures. Cultural differences, personal motivation, and social influences lead to various lifestyles.

Advertising plays an important role in guiding and shaping the lifestyles of common people. It is also the knowledge source for consumers in an emerging market. Compared to consumers in developed markets, Chinese consumers need more brand and lifestyle knowledge prior to making purchase decisions.

The lifestyles of individuals affect the group trends of lifestyles and shared values. If the impact of a lifestyle trend is strong enough, the dominant values in the society will be changed. The popularity of the value of enjoyment in China is the example.

The interconnections of advertising, values, and lifestyles shape who we are, what we buy, how we live our life, and why we live this way. Finally, this interconnection influences cultures and leads social trends.

7.2 Knowledge Contributions of the Thesis

Deeper Understanding the New Middle Class from the Emerging Market in the Process of Economic and Cultural Globalization

This research contributes on the insights about the values and lifestyles of new middle class and their attitudes to advertising in emerging markets. This broadens the perspective on these insights as they were primarily collected based on western consumers. Instead of taking middle class consumers as a whole, this study divided Chinese middle class into several segments based on their lifestyle differences. Their attitudes to advertising have also been investigated. Previous social class studies tend to view social classes as discrete membership groups, therefore they pay much attention on cross-class differences (Song, et al., 2015). Few studies are about intra-class differences of consumption patterns and lifestyles. The value of this study is to detect the intra-class differences in lifestyles and attitudes by proposing and empirically testing the typology of middle class consumers, to gain in-depth understanding on the lifestyles of middle class in emerging markets.

The middle class in emerging economies has been a subject of intensive scholarly interests since the mid-1990s (Kravets and Sandikci, 2014). The background of the new middle class in emerging economies is complicated. From the macro level, the conditions of middle-class formations include dramatic political and societal changes, fast growing economy and consumer markets, free trades with private businesses and transnational corporations, white-collar professions in private and foreign corporations, popularization of high education, increasing exposure to Western cultures and fashion trends, globalization, and urbanization. From the micro level, the factors of formation of middle-class lifestyles and consumption patterns are professions, higher education, desires for personal accomplishments, and exposure to Western lifestyles and fashions. Therefore, consumers in the emerging markets cannot be lumped together in the same category as the middle class.

For the middle class in emerging economies, the ownership of consumer goods and the social recognition of class status are important. Compared to the gradual evolution of social class in Western societies, the new middle class in emerging economies is the fast result of political and socioeconomic revolutions. For example, China implemented economic and political reforms in 1978, and to date, the Chinese middle class has become the largest in the world, as reported by the Swiss Bank in 2015 (Credit Suisse, 2015). Given the formation discrepancies of the new middle class, middle-class theories from Western societies seems unfit for analyzing emerging economies. The study on the new Chinese middle class is an endeavor to examine the gaps between theories from Western societies and current situations in emerging economies.

A similar characteristic among emerging economies identified by scholars is that the lifestyles of the new middle class are formed based on emulating Western upper and middle-class lifestyles from mass media (Kravets and Sandikci, 2014). Many Chinese middle class desire Western lifestyles. Advertising in China frequently uses “Northern European life,” “Northern American style,” “French style of living,” or “Italian fashion” to promote products. To some extent, these advertisements are the results of economic and cultural globalization. Under the influences of global marketing, globalized mass

media, transnational corporates and brands, the new Chinese middle class shows a potential to become global consumers. They share similar preferences on international brands, like consumers in the US or in Europe. They may purchase French or Italian luxurious goods, German or Japanese cars, wear suits from British middle-class brands, and go to cafés or bars to spend their leisure time. Marketing reports from consulting and finance companies, such as Mckinsey and Swiss Bank, emphasize the importance of the new middle class in emerging economies. Theoretical knowledge is indispensable to understand changing values, lifestyles, and consumption patterns of the new middle class.

This research offers up-to-date knowledge about the new middle class in urban China, their lifestyle segments, dominant shared values, attitudes toward advertising, and influences of advertising in shaping their lifestyles and consumption patterns. This research examines the homogeneity and heterogeneity of values, lifestyles, and attitudes among Chinese middle-class consumers.

Examining the Generalizability of Advertising, Values, and Lifestyle Theories in Emerging Markets

Research in advertising, value, or lifestyle is not new. However, many theories are constructed in Western societies, where the development of advertising is advanced and the consumers have mature consumption patterns and lifestyles. In approaching emerging markets with different economic, cultural, and political backgrounds, the generalizability of these theories needs examination. The main knowledge contribution of the thesis is examining the generalizability of findings from earlier studies on western consumers, which gives a broader, more comprehensive view on four key concepts -- advertising, new middle class, value, lifestyle -- and their interrelationships with newly collected evidence. This study has examined value and lifestyle issues from the perspective of advertising. The mediating role of advertising allows a better understanding of the formation and changes of the values and lifestyles of the new middle class in emerging markets, such as China.

7.3 Practical Implications for Marketers, Advertisers, and Designers

As one of the leading emerging markets, China represents the fast developing emerging economies resulting from globalization. The study on the new middle class and their corresponding lifestyles, values, and attitudes toward advertising with up-to-date empirical findings can be useful for understanding middle-class consumers in other emerging markets. The research findings indicate practical implications for marketers, advertisers, and designers.

This research offers several suggestions for marketers who try to enter or continue their business in emerging markets. Newcomers often consider middle class consumers in China as a homogeneous group, ignoring the intra-class difference. The fact is the Chinese middle class can be divided into multiple segments with a very diverse mix of lifestyles, taste, preferences, and consumer behavior. The analysis of age, income, profession, and education is insufficient to explain the comprehensive living situation of the Chinese middle class. The findings of this study show the differences of lifestyle among the new urban middle class in Tier-1 cities. Marketers from transnational corporations used to assume that the new middle class in emerging markets are similar to those in developed markets. Therefore, they apply existing marketing strategies to the emerging markets without adapting to local realities (Cui and Liu, 2001). The lifestyle segments identified in this research can assist marketers in comparing the similarities and differences of the Chinese middle class with consumers in developed markets. Then, the applicability and limitations of standardized marketing strategies used globally can be reexamined. Lifestyle differences exist in Beijing, Shanghai, Guangzhou, and Shenzhen. Marketers can consider these differences in planning their brand positioning to target urban consumers. One strategy for four Tier-1 cities may have to be reconsidered.

Moreover, given that value priorities and lifestyle preferences have significant effects on purchase decisions, understanding the shared values, lifestyles, and desires of different groups of Chinese middle class can help marketers precisely position their advertisements for potential consumers and obtain in-depth consumer insights.

The findings of the research on value rankings can be useful implications for advertisers and designers. An effective visual communication can attract the attention of audiences, change their impressions on brands and products, speak out the hidden desires of potential consumers, and stimulate them to purchase. To establish effective communication between brands and consumers, advertisers must know about the shared values and desires of potential consumers first. The dominant value rankings and demographic differences on value preferences identified in this research can serve as theoretical references for designers and advertisers. Paying close attention to culture and value changes will be useful in making precise strategies. Chinese middle-class consumers show strong desires to achieve a “better life,” which shows advanced lifestyles, social status, and aesthetic taste. To communicate with middle-class consumers, advertisers must keep exploring their thoughts, needs, values, and desires. The empirical findings in this research deepen the understanding on middle-class consumers in emerging economies. The findings of this study can likewise contribute to advertisers and designers by understanding the attitudes of the Chinese middle class toward advertising, how they perceive and interact with advertisements, and which value themes in advertisements are more attractive to them. Designers can then adopt appropriate value themes for certain product categories in targeting people with specific demographic and psychographic background in advertising design for effective visual communications.

The research in value and advertising presents new knowledge about the values of enjoyment, social responsibility, and utility. The new middle class in China considers enjoyment as one of the most attractive value themes in advertising, which indicates their strong desire to enjoy life. Enjoying life is not part of Chinese tradition, given that enjoyment is seen as a Western value concept. The new Chinese middle class now accepts enjoyment as an important value in the life they desire. They have learned from Western lifestyles to “enjoy” their own life. The value theme of enjoyment advocates hedonist consumption, which is a new consumption pattern worthy of notice. The value of social responsibility becomes important for the new Chinese middle class. As a

well-educated social class with decent careers, the new Chinese middle class is starting to care about social and environmental issues. For them, social responsibility is important for a corporation and for individuals. From the findings, we see that new middle-class consumers appreciate the active promotion of social responsibility of companies in their advertisements. When we talk about consumerism among the Chinese middle class, we cannot ignore their growing awareness of social and environmental issues. The value of utility becomes less important for new middle-class consumers. For them, the symbolic, emotional values of a product are more attractive than functional values. Traditionally, Chinese consumers are considered as pragmatists who pursue high-cost performance. For the new middle class, enjoyment, status values, or social responsibility are more important than utility and economic values. Noticing this change helps marketers and advertisers to adjust strategies and communication with new Chinese middle-class consumers.

Chapter 8 Limitations and Further Research Directions

Abstract

Chapter 8 concludes with the limitations of the research and proposes four research directions for future research.

8.1 Limitations

Conducting research requires endless exploration and repeated verification. Hence, reflecting on the limitations in the research is important. Limitations are encountered during methodology design, sampling, questionnaire design, data collection, and analysis. The reflections on limitations will help the researcher improve in the next stages of research.

1. Sample size and bias

The sample size is by no means exhaustive, given that the researcher only invited respondents from four Tier-1 cities. The samples are from the professional consumer panel iDiaoyan, which may lead to sample bias given that all respondents are randomly selected from the existing database. The generalization of the results remains to be tested. Future research should expand the present study by using a nationwide sample for more precise lifestyle segments.

2. Adoption of LOV as shared values

The LOV is rooted in Western societies. Adopting LOV to evaluate the key values for the Chinese middle class is a subjective decision made by the researcher. However, decisions were made only after comparing several main value systems in the academic field. The adoption of LOV is for cross-cultural comparisons because several studies on LOV have been conducted in several countries, including Asian nations. However, we cannot ignore the possible limitation of LOV when applying this concept in China. LOV may exclude minor and cultural-specific values. The minor values can be accepted as dominant values for Chinese consumers.

3. Content analysis materials and its possible limitations on value selections

Nine lifestyle magazines were selected as the sources of advertisements using in content analysis. These magazines claim targeting urban elites and middle class.

Although nine lifestyle magazines cover several information areas, from daily news in business and fashion, home decoration, cultural and spiritual life, to travel and sustainable life, the possible bias may still exist because these magazines cannot cover all the lifestyles of urban middle class in China. The advertisements launched in these magazines may target certain types of middle class consumers with certain value themes. The 12 value themes extracted from these magazine advertisements may not be possible to cover all the value themes targeting middle class consumers. The coding process of content analysis also contains limitation. Although the researcher already carefully controlled the procedure and the inter-coder reliability was counted, we cannot totally ignore the subjective bias on value coding results. Therefore, the generalization of the results remains to be tested.

4. Subjective understanding of the meaning of values

Researchers must deliver the meaning of questions accurately and in a way that respondents can understand easily. The respondents could lack understanding of the literature meanings of values. For example, people may interpret self-respect and sense of belonging as the same, while others may have different understandings of the concepts. Although carefully explained in the questionnaire, this limitation is difficult to overcome.

8.2 Further Research Directions

1. To conduct the present study in developed markets, to compare the value ranking differences and lifestyle differences between developed markets and emerging market

This research only investigated the middle class consumers in China. To compare the findings with the consumers in developed markets, the same surveys will be carried out in the U.S. market and Europe market. Cross-cultural comparisons of value ranking differences and lifestyle differences between developed market and emerging market will be essential and interesting for a better understanding on Chinese middle class in globalized context.

2. To explore similarities and differences of consumer values and lifestyles between

China and other emerging markets

This research is set in one emerging market, China. Additional research is needed to comprehensively understand consumers and advertising industries in emerging markets. The consumers in emerging markets are maturing. The time when these markets comprise consumers similar to developed markets like the US, or form unique consumption patterns, will be interesting to study. The potential influences of middle-class consumers in emerging markets are huge on global economy and social development.

3. To conduct the present study in Tier-2 and Tier-3 cities for refining consumer segments and value priorities

China is a large and diverse market that can be divided into Tier-1, 2, 3, and 4 cities. Recently, new Tier-1 cities showed significant differences in GDP proportion, economic development, educational level, and private housing prices, which directly influence the lifestyles of residents. Each tier presents a different stage of the emerging market development. For holistic understanding on middle-class lifestyles, values, and their attitudes toward advertising in China, the middle-class consumers living in Tier-2 and Tier-3 will be studied. China is transitioning from export-oriented to domestic-consumption orientation. The middle class in Tier-2 and Tier-3 cities is considered as the potential force in promoting domestic consumption and prosperity of the society. This research can thus be a reference for consumer research in other emerging markets.

4. Globalization or localization? Future directions of the values and lifestyles of the middle class in emerging markets

Scholars have identified the influences of Western lifestyles, cultures, values, consumption patterns, and fashion trends. This study reveals the desire for and imitation of Western lifestyles of the Chinese middle class. The influences of economic and cultural globalization are important to emerging markets. However, given the Brexit issue in 2016 and the anti-globalization movement in recent years, more people in emerging markets are starting to reflect on globalization. The new

middle class with good educational background locally and/or internationally and knowledge on globalization and global visions are now reexamining their cultures and traditions. They are trying to find a balance between globalization and localization. Instead of entirely accepting Western advanced lifestyles and consumption philosophy by the old middle class in emerging markets, the younger middle class refers back to cultural heritage and traditions to look for appropriate styles of living and fashions. The research on global and local influence on the values and lifestyles of the new middle class in emerging markets will offer new insights into resolving globalization issues.

Appendices

Appendix 1: Survey 1 Questionnaire

Welcome to this survey!

We are interested in your views about lifestyles and attitudes toward advertising, and would really appreciate if you could take the time to share them with us. We have designed this questionnaire to be as interesting and enjoyable as possible, and it should take no more than 15 minutes to complete.

There is no right or wrong answer, as we are only interested in your personal opinion. Please answer in the most spontaneous way possible.

The results of this survey will be reported “in aggregate,” meaning that only results concerning groups of people will be reported, not individuals. No survey respondents will be identified as individuals, and thus no one will be able to associate you personally with your survey responses. The small amount of personal information requested in the survey will remain confidential; no information that can identify an individual will be released.

Thank you for your cooperation!

Personal information

1. Your gender

(1)	Male
(2)	Female

2. Your age

(1)	Under 18
(2)	18–25
(3)	26–30
(4)	31–40
(5)	41–50

(6)	51–60
(7)	above 60

3. The city you live in now

4. Your highest academic qualification

(1)	High school and below
(2)	College
(3)	Bachelor
(4)	Master
(5)	Doctor and above

5. Your current occupation qualification [Single choice] [Required question]

(1)	Fulltime student
(2)	Self-employed
(3)	Worker
(4)	Salesperson
(5)	Marketing/ PR
(6)	Customer service
(7)	Administrator
(8)	Human resource
(9)	Auditor/financial person
(10)	Civil servant
(11)	Technician
(12)	Manager
(13)	CEO
(14)	Teacher
(15)	Consultant
(16)	Accountant

(17)	Lawyer
(18)	Architect
(19)	Medical staff
(20)	Media staff
(21)	Designer
(22)	Advertising practitioners
(23)	Programmer/IT
(24)	unemployed
(25)	other

6. Your marital status

(1)	Single
(2)	In relationship
(3)	Married
(4)	Divorced

7. Your residence status

(1)	Self-owned housing
(2)	Rented
(3)	Staff quarters
(4)	Other

8. Who are you living with?

(1)	Living alone
(2)	With roommate
(3)	Couple
(4)	Couple and children
(5)	Single with parents
(6)	Married with parents
(7)	Married with parents and children

(8)	Others
-----	--------

9. Household monthly income: Please select the option closest to your status

(1)	5000 RMB and below
(2)	5001–10000 RMB
(3)	10001–15000 RMB
(4)	15001–20000 RMB
(5)	20001–25000 RMB
(6)	25001–30000 RMB
(7)	Above 30000 RMB

10. Personal monthly income: Please select the option closest to your status

(1)	3000 RMB and below
(2)	3001–5000 RMB
(3)	5001–10000 RMB
(4)	10001–15000 RMB
(5)	15001–20000 RMB
(6)	20001–25000 RMB
(7)	25001–30000 RMB
(8)	Above 30000 RMB

11. How much do you spend for consumption per month?

(1)	2000 RMB and below
(2)	2001–4000 RMB
(3)	4001–6000 RMB
(4)	6001–8000 RMB
(5)	8001–10000 RMB
(6)	10001–12000 RMB
(7)	12001–15000 RMB
(8)	15001–20000 RMB

(9)	20001–25000 RMB
(10)	25001–30000 RMB
(11)	Above 30001 RMB

12. What transportation do you use often?

(1)	Walk
(2)	Bus
(3)	Metro
(4)	Taxi
(5)	Motorcycle, Electric vehicle
(6)	Bicycle
(7)	Private car
(8)	Other

13. Price acceptance of private car: How much will you spend on purchasing a private car?

(1)	<100,000 RMB
(2)	100,000–200,000 RMB
(3)	200,000–300,000 RMB
(4)	300,000–500,000 RMB
(5)	500,000–800,000 RMB
(6)	800,000–1,000,000 RMB
(7)	>1,000,000 RMB

14. Below are descriptions of lifestyles. Please choose the most appropriate option according to your own situation.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
I long for the lifestyle of developed countries.					

I enjoy the feeling of attracting attention.					
I want to live a romantic life.					
I prefer fashionable, trendy, and novel things among my friends.					
Between popularity and utility, I prefer popularity.					
I am an early adopter of latest products among my friends.					
I prefer healthy food.					
My friends often ask me about how to live a good life.					
I often read fashion magazines.					
I often follow fashion opinion leaders in social media platforms.					
I often compare prices of similar products before purchase.					
I often select the highly cost-effective product.					
I often choose products from famous brands.					
Among products in the same category, I prefer foreign					

brands.					
I enjoy the life of the petty bourgeoisie.					
I pursue individuality.					
I have huge expectations on my achievement.					
I am cautious about spending.					
Money is the best criterion for success.					
I desire a traveling life.					
I prefer travelling abroad than domestic travel.					
I like the clothes and bags of luxury brands.					
I often feel stressed and find it very difficult to relax and enjoy life.					

15. Which factors usually influence your purchase decisions in daily necessities? Please rank by degree of influence.

(1)	Advertising
(2)	Friends and family recommendations
(3)	Expert/star recommendation
(4)	Famous brand
(5)	Prices/promotions
(6)	Design
(7)	Function

(8)	Network comments
(9)	Expert test
(10)	Whether it could be tried
(11)	Health and safety certification

16. Which factors usually influence your purchase decisions in domestic appliances? Please rank by degree of influence.

(1)	Advertising
(2)	Friends and family recommendations
(3)	Expert/star recommendation
(4)	Famous brand
(5)	Prices/promotions
(6)	Design
(7)	Function
(8)	Network comments
(9)	Expert test
(10)	Whether it could be tried
(11)	Health and safety certification

17. About the following descriptions, which is more like you?

(1)	Actively search and share information
(2)	Passive recipient of information

18. Below are descriptions about advertising. Please choose the appropriate option according to your attitude.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Advertising is essential in life.					
Advertising provides product information.					

Advertising is an important channel to understand brands.					
I usually pay attention to outdoor advertisements.					
I will pay attention and read advertisements in the newspaper and magazines.					
When I watch TV, if the TV commercial production looks well, I will watch it, instead of turning to another channel.					
I will watch the playing ads when I take public transportation (subway, taxi, bus, etc.).					
I will pay particular attention to the ads of products I want to buy.					
Advertising can tell me the fashion trend and guide my fashion taste.					
Advertising plays an important role in leading the trends.					
Advertising can be entertaining.					
An attractive ad will arouse my impulse to purchase.					
I will pay special attention to a					

brand because of its marvelous ads.					
I will desire for the lifestyles shown in ads and wish to live a life like the actor/actress in the ad.					
After watching high-quality ads, I will consider the product shown in the ads as high-end.					
Ads affect all aspects of my life.					
I usually purchase the products of brands I have seen in ads.					
I will recommend good ads in my social networking pages (such as Wechat Moment and Weibo).					

19. Do you have experience in purchasing a product for its advertisements?

(1)	Yes
(2)	Never

20. Do you have an experience in which you liked a brand for its advertisements?

(1)	Yes
(2)	Never

21. Your general attitude toward advertising:

(1)	I like advertising very much
(2)	I think advertising is acceptable
(3)	I do not care about advertising

(4)	I cannot accept advertising
(5)	I strongly reject advertising

22. During the past three months , which ads left you the deepest impression?

The End. Thank you so much! We really appreciate your time and opinion.

Appendix 2: Survey 2 Questionnaire

We are interested in your views about values, lifestyles, and attitudes toward advertising, and would really appreciate it if you could take the time to share them with us. We have designed this questionnaire to be as interesting and enjoyable as possible, and it should take no more than 15 minutes to complete.

There is no right or wrong answer, and we are only interested in your opinion. Please answer in the most spontaneous way possible.

The results of this survey will be reported “in aggregate,” meaning that only results concerning groups of people will be reported, not individuals. No survey respondents will be identified as individuals. Hence, no one will be able to associate you personally with your survey responses. The small amount of personal information provided in the survey will remain confidential. No information that can identify an individual will ever be released.

Thank you for your cooperation.

1. Do you think your current life gives you a sense of security?

(1)	Yes
(2)	No

2. What are the sources of sense of security for you?

(1)	Family
(2)	Income
(3)	Health
(4)	Job position
(5)	Accomplishment
(6)	Social status
(7)	House property

(8)	Affection
(9)	Knowledge
(10)	Be accepted in social groups
(11)	Taste
(12)	Fame
(13)	Authorized certification
(14)	Religion/spiritual pursuit

3. Below are descriptions about advertising. Please choose the appropriate option according to your attitude.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
I am glad to accept advertising.					
Advertising can teach me knowledge about products and fashion.					
I usually choose the brands whose ads I have seen before.					
Advertising can help me experience brand culture.					
Advertising can deliver brand values.					
Advertising shows direct influence on my purchase decisions.					
Good advertisements can lead to positive brand impressions.					

Good advertisements are forms of entertainment for me. I will search and watch them automatically.					
I often pay special attention to the advertisements of the products I want to buy.					
I would like to share good advertisements.					
Good advertisements will arouse my desire to purchase.					
Good advertisements could cultivate my aesthetic taste.					
I long for the lifestyles in the advertisements, and I dream to have such lifestyles.					
After watching high-end advertisements, I will consider the products as high-end.					
Advertising can guide my lifestyle.					

4. What value themes in advertisements will attract your attention? Please rank the values themes from the most attractive to the least attractive according to your experiences.

(1) Utility (product features and functionality)



(2) Economic value (return on investment)



(3) Enjoyment



(4) Sense of belonging



(5) Love



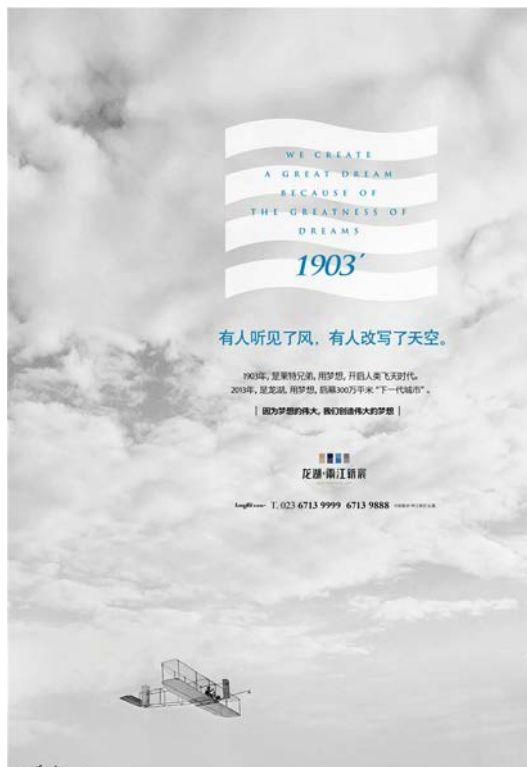
(6) Kinship affection



(7) Family



(8) Self-fulfillment (dream)



(9) Social responsibility



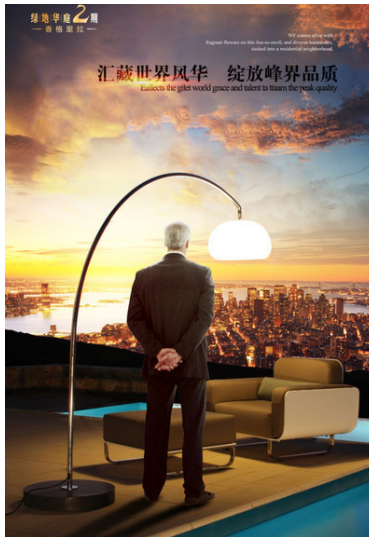
(10) Authority power (star/expert endorsements)



(11) Social status



(12) Accomplishment

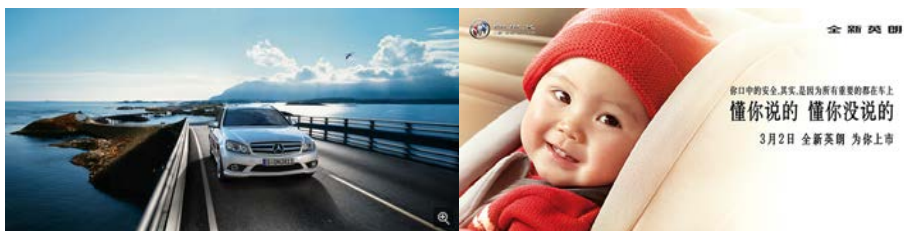


5. Based on the following five sets of ads, which ads in the group do you like better?

(1) Utility enjoyment



(2) Rational vs. emotional



(3) Chinese vs. Western style



(4) Individualism vs. collectivism



(5) Authoritative endorsement vs. ordinary people experience



6. Please rank the following nine values according to the degree of importance based on your personal experience

(1)	Sense of security
(2)	Sense of accomplishment
(3)	Self-respect
(4)	well respected
(5)	Sense of belonging
(6)	Self-fulfillment
(7)	Enjoyment
(8)	Warm relationship
(9)	Excitement

7. Your gender

(1)	Male
-----	------

(2)	Female
-----	--------

8. Your age

(1)	Under 18
(2)	18–25
(3)	26–30
(4)	31–40
(5)	41–50
(6)	51–60
(7)	above 60

9. The city where you live in now

10. Your highest academic qualification

(1)	High school and below
(2)	College
(3)	Bachelor
(4)	Master
(5)	Doctor and above

11. Your current occupation qualification [Single choice] [Required question]

(1)	Fulltime student
(2)	Self-employed
(3)	Worker
(4)	Salesperson
(5)	Marketing/PR
(6)	Customer service
(7)	Administrator
(8)	Human resource
(9)	Auditor/financial person
(10)	Civil servant

(11)	Technician
(12)	Manager
(13)	CEO
(14)	Teacher
(15)	Consultant
(16)	Accountant
(17)	Lawyer
(18)	Architect
(19)	Medical staff
(20)	Media staff
(21)	Designer
(22)	Advertising practitioners
(23)	Programmer/IT
(24)	unemployed
(25)	other

12. Your marital status

(1)	Single
(2)	In a relationship
(3)	Married
(4)	Divorced

13. Your residence status

(1)	Self-owned housing
(2)	Rented
(3)	Staff quarters
(4)	Other

14. Who are you living with?

(1)	Living alone
-----	--------------

(2)	With roommate
(3)	Couple
(4)	Couple and children
(5)	Single with parents
(6)	Married with parents
(7)	Married with parents and children
(8)	Others

15. Household monthly income: Please select the option closest to your status

(1)	5000 RMB and below
(2)	5001–10000 RMB
(3)	10001–15000 RMB
(4)	15001–20000 RMB
(5)	20001–25000 RMB
(6)	25001–30000 RMB
(7)	Above 30000 RMB

16. Personal monthly income: Please select the option closest to your status

(1)	3000 RMB and below
(2)	3001–5000 RMB
(3)	5001–10000 RMB
(4)	10001–15000 RMB
(5)	15001–20000 RMB
(6)	20001–25000 RMB
(7)	25001–30000 RMB
(8)	Above 30000 RMB

17. How much do you spend for consumption per month?

(1)	2000 RMB and below
(2)	2001–4000 RMB

(3)	4001–6000 RMB
(4)	6001–8000 RMB
(5)	8001–10000 RMB
(6)	10001–12000 RMB
(7)	12001–15000 RMB
(8)	15001–20000 RMB
(9)	20001–25000 RMB
(10)	25001–30000 RMB
(11)	Above 30000 RMB

18. What transportation do you use often?

(1)	Walk
(2)	Bus
(3)	Metro
(4)	Taxi
(5)	Motorcycle, Electric vehicle
(6)	Bicycle
(7)	Private car
(8)	Other

19. Price acceptance of private car: How much will you spend on purchasing a private car?

(1)	<100,000 RMB
(2)	100,000–200,000 RMB
(3)	200,000–300,000 RMB
(4)	300,000–500,000 RMB
(5)	500,000–800,000 RMB
(6)	800,000–1,000,000 RMB
(7)	>1,000,000 RMB

The End. Thank you so much! We really appreciate your time and opinions.

Appendix 3: Coding Sheet of Advertisements

Coding sheet of advertisements	
Product	
Brand	1. Local brand; 2. Foreign brand; 3. Other
Magazine	1. Sanlian Life Week 2. BusinessWeek/China 3. IDEAT China 4. TRENDSHOME 5. ELLEDECO 6. Cityzine Magazine 7. CHINA LIFE MAGAZINE 8. Condé Nast Traveler 9. LOHAS
Product category	1. Domestic appliances; 2. Home decoration; 3. Furniture; 4. Travel; 5. Automobile; 6. Dress and accessories; 7. Skincare and cosmetics; 8. Food and drink; 9. Software/APP; 10. Digital entertainment devices; 11. Brand image; 12. Watch and jewelry; 13. House property; 14. Non-profit ads; 15. Finance; 16. Other
Model	1. Chinese 2. Western 3. Japanese or Korean 4. No model
Ad emphasis (Check all that apply and select one main emphasized value)	

	Family
	Kinship affection
	Accomplishment
	Enjoyment
	Social status
	Love
	Sense of belonging
	Social responsibility
	Utility, functions
	Self-fulfillment
	Economic values
	Authority power (expert/celebrity)
	Other

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