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# UNDERSTANDING THE "HIGH CONSUMPTION" PHENOMENON OF CHINESE OUTBOUND TOURISTS

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#### **ABSTRACT**

In recent years, China's outbound tourism market grew rapidly. The academic literature in this area provides little guidance on the decision-making processes of Chinese outbound tourists. This paper focuses on a better understanding of the "high consumption" phenomenon of Chinese outbound tourists, in addition to identifying major features and components of the ethical consumerism influences on consumer behavior. To this end, we adopted a qualitative research approach studying Chinese outbound tourists traveling in Japan. In explicating three characteristics of Chinese outbound tourists, this study provides a new angle to explore the nature and key factors relating HCP of emerging market outbound tourists.

**Key words:** Outbound tourism; High Consumption; travel in Japan; consumer ethics;

# INTRODUCTION

In recent years, China's outbound tourism market grows rapidly (Li et al. 2010), and it has attracted a great deal of attention in recent years. Scholars outside China tend to be interested in whether and how traditional destination choice models developed in a primarily Western context can be applied to emerging markets like China (Feng et al. 2004; Guo et al. 2007; Kim et al. 2005; Moutinho et al. 2008). Scholars inside China focus more on the negative ramifications of excessive development of Chinese outbound tourism on domestic economy (Dai 2004; 2008; Dai and Jiang 2013; Dai and Wu 2006)— some of them even suggested the Chinese government to tax outbound tourism (Dai 2004) to control the travel trade deficit and foreign exchange leakage of Chinese outbound tourists.

Unlike most previous studies on Chinese outbound tourism which took a marketing or economic perspective, this paper concerns about Chinese outbound tourists' consumption pattern, the so-called "high consumption" phenomenon (HCP) from the perspective of consumer sociology. HCP is a slightly awkward term adopted directly

from a word-by-word translation of the Chinese term *Gao Xiao Fei*. It refers to the fact that Chinese tourists purchase a large quantity of foreign goods when traveling abroad. What distinguishes HCP from some related, more widely-accepted ideas such as conspicuous consumption or luxury consumption is, HCP is not necessarily linked to the consumption of high-end products. Despite its occurrence in a tourism context, HCP rarely relates to the purchase of tourism souvenirs; rather, most "high consumption" is towards the purchase of foreign-made electronics, cosmetics, baby formula, even groceries during Chinese tourists' trips. In a broader sense, China is not alone in experiencing HCP. Studies on other emerging markets have shown similar consumption patterns (Alden et al. 2006; Steenkamp and Burgess 2002; Waheeduzzaman 2006), yet this rather unique travel consumption behavior has not been well understood yet.

In studying HCP, we take the consumption ethics changes in China as a framework (Wang 2009, 343) to explore key factors driving HCP in China. Wang (2009) suggests China is transitioning from an "ascetic society" to a consumer society. It is against this backdrop that tourism has increasingly become a "worthy", "acceptable" even "irreplaceable" part of life, and is gradually developed into a popular lifestyle.

This study demonstrates an exploratory effort in understanding HCP. We attempt to start from a basic description of the phenomenon, such as: Who contributes to the HCP? What do they buy? Why do they buy? And most importantly, why do the Chinese tourists buy so much when they travel in other countries? In answering these questions, we focus particularly on how ethical consumerism influences on consumer behavior, and what the major features and components of the ethical consumerism driving HCP are. In summarizing these, we hope to help decipher why HCP occurs, its nature, and key factors affecting it in the future.

In short, this paper focuses on better understanding the HCP of Chinese outbound tourists, and identifying major features and components of the ethical consumerism influences on HCP. Theoretically, this paper contributes to the tourism literature by exploring the nature and key factor underlying Chinese outbound tourists' HCP. It is also hoped that findings relating tourist consumption can shed light onto the general consumer sociology research.

## **METHODS**

Due to a lack of understanding of Chinese tourists' perception of the HCP, as well as potential paradigmatic mismatch when applying western theories to Asian contexts (Lai et al. 2013; Iwasaki et al. 2007), the authors decided to take Chinese citizens traveling in Japan as a case study to explore the nature of Chinese outbound tourists' HCP and how the ethical consumerism influences on consumer behavior. Specifically, this paper adopted an inductive approach, using participant observation of Chinese group tourists in Japan, in-depth interviews with tourists after their shopping, and focus groups with tour guides. Altogether, a total of 32 people were interviewed,

resulting in 27 hours of recording, and a transcription exceeding 190,000 Chinese characters. The qualitative data were analyzed via NVivo 10 for coding and analyzing. Meanwhile, the authors also collected the data from the Japan National Tourism Organization (JNTO) website to understand the background of Chinese traveling in Japan.

#### RESULTS

Based on the interview data, this paper summarized how HCP happened by Chinese tourists traveling in Japan. The reasons are numerous but there seem to be three key ethical-consumerism driving forces behind Chinese tourists' HCP: (1) Prevailing hedonism: The main consumers of Chinese outbound tourism are the generation of post-80s in China; their consumption behavior is characterized by excessive consumption and luxury consumption (Li et al. 2010; Mok and Iverson 2000; Podoshen et al. 2011). (2) Utilitarianism: The outbound tourists consume products to meet their psychosocial functioning. (3) Self-serving: The ethical consumerism of self-serving can be seen in the outbound tourists to consume products for improving life quality.

### **DISCUSSION & CONCLUSION**

This paper attempted to explain how and why outbound tourism-related HCP happens. The growing size of the Chinese middle classes, their increasing mobility and their considerable ability to consume has been widely acknowledged (Arlt 2013; Sparks and Pan 2009; Xu and McGehee 2012). The recent economic growth and socio-political changes in China have opened up opportunities for Mainland Chinese to travel abroad, and shopping is an important part of their traveling experience. Qualitative findings reported in this study suggest three key ethical-consumerism driving forces behind Chinese tourists' HCP— hedonism, utilitarianism, and self-serving. All these reflect China's transition from an "ascetic society" to a consumer society (Wang, 2009). While marketers can clearly capitalize on opportunities emerged from this transition, there are new challenges relating business ethics, social responsibilities, and sustainability, which warrant further research.

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