

Consumer Culture in China: Consumption Face

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*This thesis is dedicated to my children,
to my son Dominic who came to New Zealand with me from Beijing, and
to my twin daughters, Catherine and Audrey who were born in New Zealand
during my PhD journey.
Your presence and smiling faces are my fuel to dismiss all the difficulties.*

Abstract

“Face” in China is one of the country’s most traditional social and cultural factors. Generally, “Face” in Chinese social life represents the image of a person’s social self (through the thesis I will use Face with a capitalised F to represent this specific concept). Many studies have indicated that in China Face influences consumption, and specifically, relates it to conspicuous consumption (Bao, Zhou, & Su, 2003; J. J. Li & Su, 2007; Monkhouse, Bradley R, & Stephan, 2012; N. Wong, Y. & Ahuvia, 1998). However, Chinese Face is a very general concept. This thesis specifically classifies which type of Chinese Face particularly influences consumption among other types: moral Face (*Lien*), social Face (*Mien-tzu*), *renqing* Face and interaction Face. These are types of Face that are referred to in existing studies and research. I name the type of Face that relates to consumption, “Consumption Face”.

The aim of my study is to clarify the influence and role of Consumption Face on Chinese consumption patterns, the mechanism by which these patterns take place, and also consider how they will develop in future. I review the geopolitical nature of China as well as Chinese culture from ideology to values and norms, and in particular, the socio-political changes that occurred after the establishment of the Peoples Republic of China as background regarding the formation of Face and the place of consumption in current Chinese life.

The recent rapid development of consumption in China and social needs in modern China increase the importance of identifying and conceptualising Consumption Face. This is from the basis that Chinese tend to strive for self-actualisation by using consumption to signal their social status and wealth. To do this on the basis of a broad literature review, this thesis aims to define Consumption Face and to develop a three-dimensional construct of it as a foundation for further analysis.

Following the trend of globalisation and commercialisation after the late-1970s when China opened its economy, Chinese people were considered, or hypothesised by Western scholars and others, to be more Westernised. Young Chinese especially are now considered to be more individualistic, and thus less influenced by Face than was the situation in the former traditional collectivistic Chinese society. To study the influence of Consumption Face on consumption now and in the future, I conducted a series of studies to answer two questions:

- 1. To what extent does Consumption Face influence purchase decisions between different categories of products and brands?*
- 2. To what extent does the influence of Consumption Face on purchase decisions differ between young consumers and preceding generations?*

To do this, I developed a Consumption Face Influence (CFI) measurement. I used this measurement construct to test different age cohorts for their consumption behaviour in regard to the purchase of luxuries and necessities. This test crossed the contexts of public consumption and private consumption. The test was also applied to measure CFI across the contexts of product categories and brands. The findings do not support the hypothesis that young Chinese consumers are less influenced by Consumption Face than their parents and older generations. CFI was even stronger for young Chinese than for their preceding generation for luxury consumption. The results also reveal that the dominant motivation for Chinese conspicuous consumption is not conspicuousness, but instead conformity. Simply using theories formulated by Western scholars to understand Chinese consumer behaviour may be misleading. Consequently, from a practical perspective, trading with China, doing business with Chinese, and undertaking marketing targeted at China, could and should engage and apply knowledge of Chinese consumption behaviour and understand behaviour related to Face.

This thesis contributes to marketing literature by identifying and conceptualising a new type of social influence toward consumption patterns which is becoming vital in China but which tends to be overlooked due to its implicit attribute. My research verifies that Consumption Face exists and profoundly influences the purchasing behaviour of young modern Chinese. It also contributes to the Face research field by classifying different types of Face for future relevant research to help specify their research scope, and by adding one more conceptualisation to the theory: Consumption Face. The conceptualisation of Consumption Face provides a new tool to investigate and analyse Chinese marketing phenomena, both as applied **by** them and applied **to** them, within substantial and sound interpretive dimensions. The tool could complement relevant research that applies Western developed concepts. This thesis suggests a developed measurement set of CFI that can help further research in the future; not only the research of Chinese in China, but also research applying to Chinese immigrants in overseas countries as well as to cross-cultural studies applied to other ethnicities.

Preface and acknowledgements

My PhD journey has been the adventure of a lifetime. To quit an already established prosperous career and bring my family to New Zealand to pursue an academic career was a big decision. Particularly in Chinese culture, a man who has already established family is not supposed to take any risks.

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Glossary

Chongyang meiwai: 崇洋媚外, worshipping and having blind faith in foreign things.

CPC: the Communist Party of China.

CFI: Consumption Face Influence.

Chung: 忠, literally means loyalty.

Danwei, 单位, the work-unit or the workplace formed after the establishment of PR China. The term of “*danwei*” was derived from Japan and it was of military origin. A *danwei* is likened to community forming a stable work-unit with employees and their families. A *danwei* not only provides work for a person, but also looks after their family including housing, children’s education and medical care.

Guanxi: *Kian-his* in Wade-Giles. 关系, interpersonal relationship, a social network. *Guanxi* literally means “connection” (*Guan*) and “netting” (*xi*) in Chinese.

Getihu: 个体户, the self-employed private entrepreneurs; the private, individualistic business unit.

He xie, 和谐, Harmony.

“Iron rice bowl”: 铁饭碗, job for life. It is the term describing the permanent contract between state owned enterprises (SOE) and employees.

Jen: 仁, benevolence or human-heartedness.

Junzi: 君子, Gentleman, the archetype of Chinese people.

Karma: (in Chinese: 缘, *Yeh*), actions due to cause and effect. Karma is one of the core concepts in Buddhism.

Lao Tzu: *Laozi* in *Hanyu pinyin*, 老子 (which literally means the ‘Old Master’), an ancient Chinese philosopher, and the founder of Taoism.

Li: 礼, rites, rituals of propriety.

Lien: *lian* in *Hanyu pinyin*, 脸, the moral Face.

Mien-tzu: *mianzi* in *Hanyu pinyin*, 面子, the social Face.

PRC: the People's Republic of China.

Renqing: *jen-ch'ing* in Wade-Giles, 人情, favour; human obligation to the social group; favour exchange. It can then be described as the social capital in interpersonal transactions.

Samsāra: (in Chinese: 轮回, *Lunhui*). Reincarnation. Samsāra is another core concept in Buddhism.

Shu: 恕, called “altruism” by Confucius, is “to not do to others what you would not wish done to yourself”. *Chung* and *Shu* are the essence of the practice of *Jen*.

Tao: 道, it is the “way” Taoism teaches, of not being concerned with affairs of the state, mundane or quotidian matters of administration, or elaborate rituals.

Tao Te Ching: *Daodejing* in *Hanyu pinyin*, 道德经, the *Classic of the Way and Power*. A Chinese classic, fundamental text for Taoism.

Wu-lun: 五伦, the five Cardinal Relationships between people. (1) father-son (2) emperor-minister; (3) husband-wife; (4) older-younger brothers; (5) friend-friend.

Wu wei: 无为, a basic principle of Taoism. In short, it means doing nothing purposely; acting in ways that “do not go against the grain of nature”.

Yi: 义, righteousness, meaning the “oughtness” of a situation.

Yin and Yang: 阴 and 阳, dark-bright. *Yin* and *Yang* is a universal principle in Taoism. *Yin* and *Yang* are considered the two contrasting sides of one unity.

Zhishi qingnian, 知识青年, the educated youths. This term refers to the urban young people who, during the Cultural Revolution, were sent into rural regions to be trained by the peasants in order to eliminate the differences between classes.

PROLOGUE

The iPhone 5s was launched in China in 2013, with its first gold-colour design, together with two others that were silver and grey. Unpredictably, the gold-colour design became the instant “huge hit” of the three colours. Soon after it was launched, the Apple reservation page went down, as the gold model was immediately sold out” (AFP, 2013). Its price was doubled by independent Apple retail sellers in China due to its high demand (Holdcroft, 2013). Afterwards, Apple quickly, and wisely, put a gold-colour iPhone 6 on market, which sold for triple the advertised price on the Chinese black market (Zolfagharifard & Woollaston, 2014) when its supply was short. This was not only because gold represents wealth and luxury, once possessed by Chinese emperors, but more importantly, ‘Gold represented that buyers were holding a new phone’ that looked very different from the old model (AFP, 2013). What did this mean to Chinese? The answer is that the gold coloured iPhone brought the new owners Face.

You may begin to understand this Face-caused consumption as a case of conspicuous consumption, or status affirmation, where consumers use status-embedded goods to symbolise themselves and their self-perceived importance. As an example, here is a story from a Western reporter who visited China: When she went into a flower shop to buy some flowers for her friends, she was confused when the shopkeeper asked her what price package she wanted to choose from: CNY800, 600, 300 (CNY: Chinese Yuan, Chinese Currency), rather than what type of flower she wanted. In other words, the perception was that price represented the value of the flowers to the recipient, rather than quality or the attractiveness of the flowers themselves. The Western reporter then realised that the value of goods of this kind, when purchased for public consumption, relied more on their implied Face, than on the real cost or personal aesthetic value of the flowers themselves.

What is Face? Simply speaking, Face is the image of one’s social self, which is what men live for in China (Lin, 1936). Face in China is an inherent concept with rich cultural and instrumental meanings embedded. It involves not only the purchase and consumption of products, but also social positions, reputations and dignity. It is not only for personal ego, but also for one’s family, relationships with others, as well as the dynamics of Face in social exchanges in various environments. In terms of consumption, what a Chinese consumer

purchases is often determined by the degree of “image of self” that a product projects and what products or brands represent to others.

To understand marketing phenomena that are influenced by the demand of social self in China, we have to admit that there are many contexts and perspectives within and from which they can be interpreted. For example: consumption and ownership of luxury goods, use of social status-infused goods in compensation/affirmation of self including self-integrity, self-worth, and psychosocial rewards to inflate personal ego, are all important considerations as suggested by Sivanathan and Pettit (2010). In China, self is not merely about one’s self. “...in contrast to individualists, collectivists tend to view the self relationally and situationally” (Triandis, 2001). Hence Face, as the socially defined aspect of the self, should have greater significance in collectivist cultures like China (A. Hwang, Ang, & Francesco, 2002). Thus it is the aim of this research to investigate how Face works on consumption and how it exercises its influence on markets.

PART I: INTRODUCTION

CHAPTER ONE: INTRODUCTION

1.1 Background to the Research: the Demand and the Gap

1.1.1 Chinese markets demand deep and specific studies

China, an ancient country with a complex history and inherent culture, has become the second-largest economic union since recent increases in globalisation. In these recent times Chinese people have shown strong and booming consumption power in response to overseas markets. For example, China has become the largest consumer of luxury goods worldwide, accounting for 27% in 2012 and 29% in 2013 of the world's market share (Atsmon, Ducarme, Magni, & Wu, 2012; D'Arpizio, Levato, Zito, & Montgolfier, 2014).

This huge change has only happened in the last thirty years since the economic Reforms and the operation of the Open-door policy at the end of the 1970s. Under the harmony principle that governs Chinese interrelationships (Spence, 1999), how could these humble, low-key people move so suddenly to purchase luxuries to an extreme extent in relation to group norms? How could the majority of the population, mostly with relatively low incomes (N. Wong, Y. & Ahuvia, 1998), spend surprisingly large amounts of money on consumption? In response to this booming consumption demand, more and more companies have entered, or plan to enter, China, in their desire to make a big push into the Chinese market. Hence, these companies need to understand the inherent and unique characteristics of the Chinese population in order to develop effective market strategies.

1.1.2 Face and Consumption

Consumption has various values to consumers. Besides the utilitarian functional value, there are many non-functional values (Leibenstein, 1950). Consumption implies that the wealth acquisition has "demonstration effects" (Duesenberry, 1949). Consumption is a tool to gain social recognition through communication with others (Douglas & Isherwood, 1978; Holt, 1995) and as a clue to define self as a signal of identity (Berger & Ward, 2010; Douglas, 1979; Goffman, 1955; Veblen, 1924). Consumption is the way people define self (Belk, 1988; McLntyre, 1992). Also, consumption is the way to identify others and their social status (Belk, Bahn, & Mayer, 1982; Fussell, 1992; Holt, 1998). When Chinese have much

more disposable income than they used to after the Economic Reform and the Open Door policy, they show a “crazy fever” of consumption (the Retail Sales of Consumer Goods in 2008 was CNY10,849 billion, 80 times that at beginning of the Economic Reform in 1978, CNY156 billion (Guan, Zhou, & Lu, 2012). The direct motivation we might assume to be the values above, to define themselves and to identify others for social recognition and social status, however the unspoken, or more fundamental drive is to maintain or enhance the Face for themselves and their family (N. Wong, Y. & Ahuvia, 1998). Enhancing Face through consumption is not the same as the conspicuous consumption aiming at inflating self-ego; the drive of Face has more implications to Chinese, such as to conform to others, and some consumption behaviours are not arising from consumers’ own will or values (Su and Li, 2007). Face is one of Chinese society’s traditional socio-cultural factors. Among others factors, the desire for Face is a big demand that stimulates consumption in China (N. Wong, Y. & Ahuvia, 1998). However, the diversity of the facets of Chinese Face often blurs the specific type of Face that influences consumption, and so the relevant current studies are not sufficient for our deep understanding of Consumption Face.

1.1.3 Marketing research relating to China is brand new and lacking in approach

“The notion of a market oriented economy is still brand new in China, while marketing as a field of scholastic study is just in its beginning steps” (Lantos, 2011).

A study of research relating to marketing in China, reported in over 100 journals, supports Lantos’s point of view above (Trotter & Wang, 2012). The rate of published articles on Chinese marketing increased in the late 1970s, right after the Open-door policy was implemented in China (Ouyang, Zhou, & Zhou, 2000). Even though the number of research studies about Chinese marketing continues to increase in recent years, there are still only a few journals that have covered China marketing issues in comparison with those undertaken by Western countries. For example, there is only one new journal directly related to marketing in China, the *International Journal of China Marketing* (IJCM), included in the American Marketing Association marketing journal lists (Trotter & Wang, 2012). Most of the published research is that of joint collaboration between Chinese and non-Chinese authors, mostly from Hong Kong, and only a small number of authors are affiliated with Europe and USA. This broad, but not intensively researched, market, still virgin territory for researchers, has not fully caught up with the rapid economic growth of China and the strong

consuming power of the people of China. This in turn, means that some arguments come with inadequate supportive literature; hence I have to supplement the argument with my own, personal observation. This is limited as much as possible, but it is still a limitation.

1.1.4 Current studies and understandings are not sufficient and specific

There are a number of studies on consumption in China, some of which have had significant findings and outcomes. However, many of the studies seem to overly simplify the social aspects of consumption behaviour in China. Many of them relate the consumption phenomenon to cultural influences, e.g. many works have widely used Hofstede's five dimensions (1980) and the collectivistic-individualistic model (Triandis, Bontempo, Villareal, Asai, & Lucca, 1988) to explain consumption trends in China. Others have used Confucian principles, including *guanxi* (*kuan-hsi* in Wade-Giles, 关系, interpersonal relationship), Face (*mien-tzu*), harmony and hierarchy (Dong & Lee, 2007; Jap, 2010; Jenkins, 2002; Luo, 1997; Monkhouse et al., 2012). But how does each of these interact with other marketing influences in the present dynamic Chinese society where people have flexible personalities which are easily changed and impacted by social environments including social norms and others' behaviour (Markus & Kitayama, 1991, 1998; Mills & Clark, 1982)?

Our understanding of Chinese culture and behaviour is hardly to be summarised as simply "because of its culture". Our understanding should be more specific. For example, "What is Chinese Face, and how does this Face influence Chinese consumption?" demands specific studies and researches to target these questions. Some researchers seem to misunderstand Chinese consumers by mainly applying their own perspectives. Many well developed Western concepts are widely used in Chinese consumer research, especially on luxury consumption, e.g., materialism, conspicuous consumption, non-functional effects (Veblen effect, Snob effect and Bandwagon effect) and social influence. Some researchers have used Chinese cultural factors as predictor variables or mediators for more explanation and interpretation, e.g., Face and harmony (W. S. Tsai, Yang, & Liu, 2013). I support their view that it is better to use Chinese terms to most effectively explain Chinese marketing and consumption behaviour.

When I read studies of Face and its influences on the consumption of material possessions, I find that its definition still remains vague. This may be because Face has many different aspects and influences. Studies have pointed out that Face is a cultural factor, that influences

consumption in those Asian countries where people are disciplined by the same Confucian legacy (N. Wong, Y. & Ahuvia, 1998). More specifically, in China, Face has been shown to have various influences, e.g., general consumption (J. J. Li & Su, 2007); service consumption (H. Chan, Wan, & Sin, 2009), purchase intention to green hotel brands (Wan & Poon, 2014), decision making styles (Bao et al., 2003; Xue & Wang, 2012), consumers' attitude to brand and country origin (Liao & Wang, 2009; Z. Shi, Ichiro, & Jin, 2011; Z. Shi, Wen, & Fan, 2012) and perception of luxury goods (Monkhouse et al., 2012).

Further, Face has different meanings from different aspects, or in other words, is understood in different ways in different situations. For example, half of the Face studies refer to Face as a tool in communication, including negotiation (P. Brown & Levinson, 1978; Goffman, 1955; Ting-Toomey, 1988; Ting-Toomey & Kurogi, 1998). In order to distinguish Consumption Face, which I conceptualise, I name this aspect of Face "Interaction Face". "Interaction Face" has nothing to do with consumption. The studies pertinent to Face influencing consumption normally borrow the general definition of Face from "Interaction Face" studies, and these definitions of Face often cause some misunderstandings. For example, Liao and Wang (2009) refer to Brown & Levinson's "positive face" as a Chinese *Mien-tzu* (social Face) "represented by wealth and one's existing social capital" (p. 990). However, "positive face" in Levinson & Brown's study merely represents one's desire to be approved of by others in a *conversation* (the opposite, "negative face", represents the desire for autonomy without consideration of others and without any claim to spaces). As Liao & Wang (2009) stated, "positive face" has nothing to do with wealth and consumption. In addition, in these Face studies, with regard to consumption, the definitions of consumption Face are not constructed to be both sufficiently discriminate and objective.

1.1.5 Research problem and tasks

Thus, for the time since the 1970s when consumption blossomed in Asia, especially in China, it is worth clarifying the exact aspect of Face which relates to consumption of material possessions from that of the general Face concept. Hence, the first task for such research is to define a specific "Consumption Face".

Over the last four decades China has experienced rapid changes that seem to have swept away not only the Marxist-Maoist communism of the People's Republic founded in 1949 but also the ancient traditions and mind-sets. Marxist-Maoism asked people to reject Confucianism, embrace frugality, and assume a standardised, simple and egalitarian lifestyle

instead of self- interest (Wei & Pan, 1999; Whyte, 1986). Some 30 years later, the state decided to operate under the Open Door Policy (Huan, 1986) which received a further boost in 1992 under Deng Xiao Ping. Since then, not only did China import Western goods but also Western-style materialism, including the ideology of individualistic self-interest (Ting & Chiu, 2000; Tse, Belk, & Zhou, 1989; Jing Wang, 1996; I. Weber, 2002).

Hence, studies contrasting changes between young consumers exposed to a Westernised environment and less-exposed preceding generations are drawing academic attention. Furthermore, following the One Child Policy in 1978, today's young Chinese are the generation growing up without siblings. It is therefore no wonder that the only child becomes a very special family treasure, with very little experience of hardship. Parents exhibit an increasing willingness and ability to spend a large portion of their family's income on the child's material welfare and academic success (Davis & Sensenbrenner, 2000; Ian St-Maurice & Wu, 2006). Thus, young people are normally better educated, have greater disposable incomes, reject traditional values, are more open-minded, and are more cosmopolitan when compared with preceding generations (Batra, Ramaswamy, Alden, Steenkamp, & Ramachander, 2000; Qiu & Lin, 2013; Wei & Pan, 1999; Jing Zhang, 2010). In addition, the dominant model of success in Chinese society since the 1990s is defined by material possessions (K. Chan, Zhang, & Wang, 2006). Since this youth cohort of about 300 million is the future of China, I am motivated to ask: are Chinese youth becoming more Westernised? If so, have they become less influenced by the traditional factors of Face? Such research is lacking in my literature review, even though there are many researchers who have used Western methods to examine young Chinese consumers' behaviour. This therefore is another task of my thesis: to define Consumption Face and to examine its influence on consumption of young people and older people to gain an insight into future trends in Chinese consumption.

To sum up, the tasks of this thesis are:

1. To define and conceptualise a specific Consumption Face to explain such Chinese consumption patterns that are caused by social demand
2. Use Consumption Face to examine its influence on young Chinese and their older generations to see the evolution and to predict future consumption in China

Face is considered to be a powerful predictor of both Chinese consumers' behaviour and its influence on Chinese character. This thesis will discover if there is any strong experimental evidence to support that widely-held belief.

1.2 Objectives

This research's overall objective is to provide an in-depth understanding of the mechanism behind Consumption Face in Chinese market consumption context. This is through studying the traditional Chinese socio-cultural factor, Face, and to examine its progressive influences on Chinese consumption patterns for future academic and practical marketing considerations. The specific objectives, as listed below, structure this thesis.

1. To historically and ideologically explain and define what Chinese Face is and its meaning to Chinese.
2. To clarify different types of Chinese 'Face' concepts and outline the relationship between them.
3. To differentiate a concept of 'Consumption Face', the facet of Face that influences Chinese consumers' consumption of possessions, from other Face concepts.
4. To conceptualise the concept of "Consumption Face", to define the dimensions of Consumption Face, and conduct and validate a specific set of measurements.
5. In using these measurements, this study also aims to discover to what extent 'Consumption Face' influences consumption in different categories, as well as the different influences between product and brand contexts.
6. To investigate whether Face still influences young Chinese consumers who are observed as more Westernised, by comparing three generations.

1.3 The Approaches to Structure the Thesis

"Consumption Face" is about the important relationship between "consumption" and "Face". China is a country with a long history in general, but one that has a relatively short history of having a market-oriented economy. This thesis is about an inherent, traditional, Chinese concept: Face, and its impact on contemporary "consumption". The patterns and the values of contemporary consumption in China are an imported notion, driven by Western

influences and imported into China only about 30 years ago. Hence, I chose two paths through which to tell the story: (1) from the Chinese historical path for Face, and (2) from the Western path for “consumption”. Additionally, on the consumption behaviour level, there is a scarcity of literature about markets in China to review due to its relatively short marketing history. To make this thesis comprehensive, I have borrowed from two models, described below, to structure this thesis.

Two cultural models to structure the thesis: The Iceberg model and the Bucket model

There are two models regarding culture that I use to structure the literature review of this thesis: the Iceberg model and the Bucket model.

Consumption of possessions is tangible, whereas consumer behaviour is mostly observable. However, the values and initial worldviews from which human behaviour (practice) is motivated and derived are not observable (Gullestrup, 2006). To fully understand a phenomenon in a culture, it is not enough just to investigate the phenomenon and practice, but it is also necessary to consider it from a perspective that includes invisible, deep and hidden attributes.

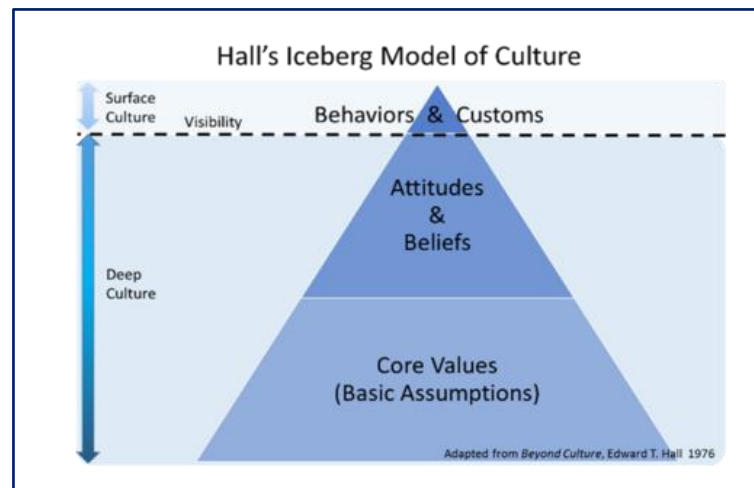


Figure 1: Edward T. Hall's Iceberg model of Culture

Resource: Adapted from Beyond Culture, Edward T. Hall 1976

To understand consumers' behaviour properly, it is necessary to see it from within the culture where the behaviour was moulded. Each culture should be considered in different layers: like an iceberg, some aspects of a culture are observable while other aspects are invisible (Ghemawat & Reiche, 2011). According to Edward Hall's cultural "Iceberg Model"

(1976), the behaviour, including the appearance and even the language of a culture that is observable, is about only 10% of a culture. Thus it can be likened to the top of an iceberg that is about 10% above the water surface (Figure 1). Beneath the water, the parts that are deepest, invisible, and most profound are the beliefs, values and the worldviews of a culture. Following this Iceberg model, this thesis starts with an investigation of Chinese behaviour from the nature of China and then moves to the invisible ideology system, and step by step to the visible behaviour and its explicit drive, Face.

How should I structure this invisible-visible approach? Gullestrup (2006) defined another up-down model, the "Bucket Model" (Figure 2), which explains the vertical hierarchy of culture by different layers. The lower layers are the foundation of the upper layers. The deeper into the layers one can penetrate, the better understanding one will have, and the more correctly one will be able to interpret the above-lying, more perceivable, symptoms and structural layers. Hence, it is meaningful to talk about behaviour in a hierarchical structure, vertically from the "immediately observable symbols" down to the "fundamental legitimating values" and the "fundamental philosophy of life" of a culture. This will "create a continuously deeper insight into a culture under observation" (Gullestrup, 2002, p. 11).

Gullestrup (2006) describes the visible parts of a culture, the manifest culture, as separating into three layers. Below these layers are three more layers that are more hidden but more fundamental to the core of the culture. He characterized the six layers as follows:

1. The level of immediately observable symbols or symptoms.
2. The structure that is more difficult to observe.
3. The governing morals, patterns, and norms.
4. The partially legitimate values.
5. The generally accepted highest values.
6. The fundamental philosophy of life.

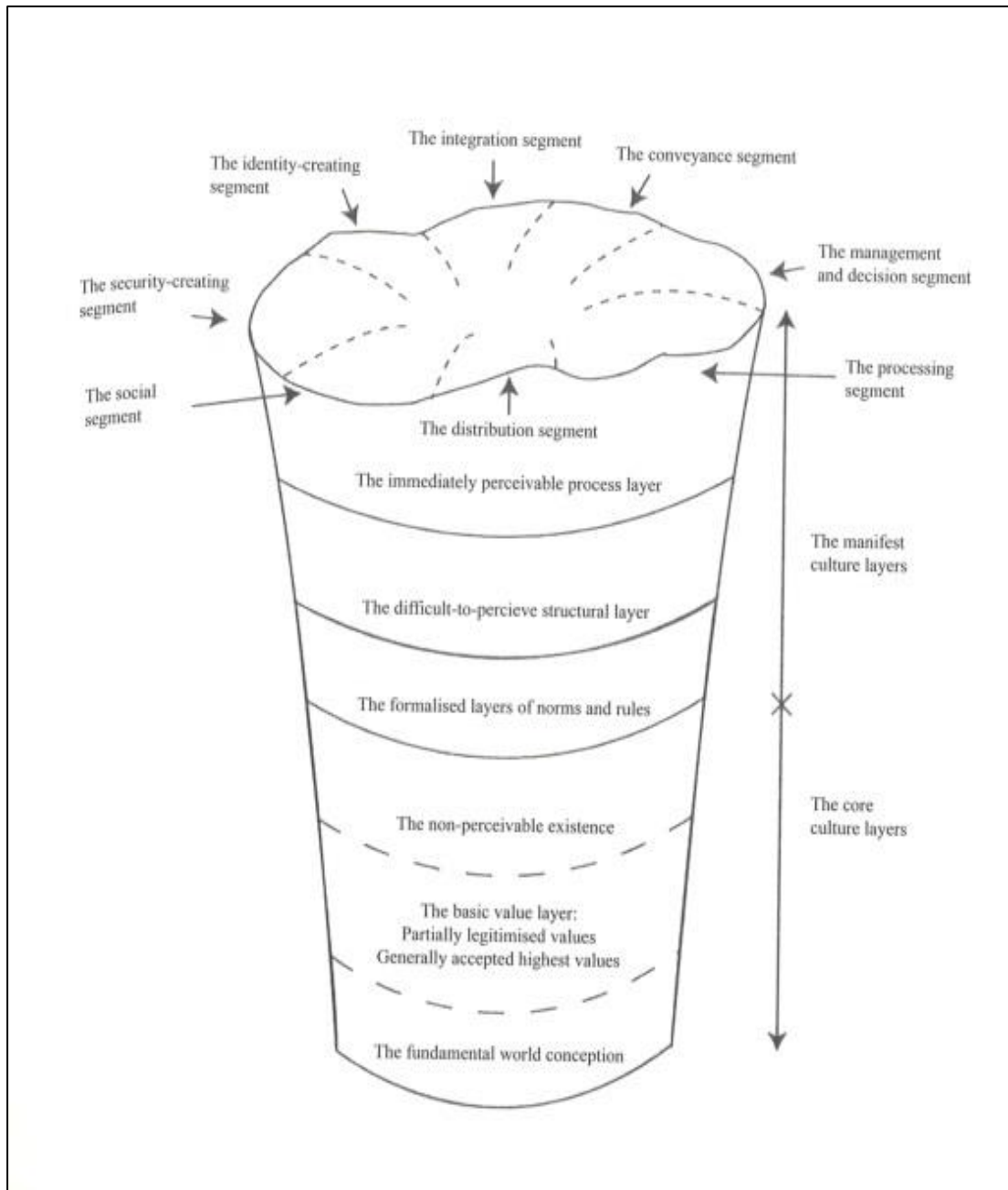


Figure 2: Gullestrup's Bucket Model

Resource: Gullestrup 2006, p101

From a combined view of the Iceberg and Bucket models, I define a simpler structure for the literature review (Figure 3).

Thus, to study Chinese consumers' behaviour, my literature review chapter begins by reviewing all deeper, non-observable philosophy arising from a worldview of values and norms, before investigating the observable practices.

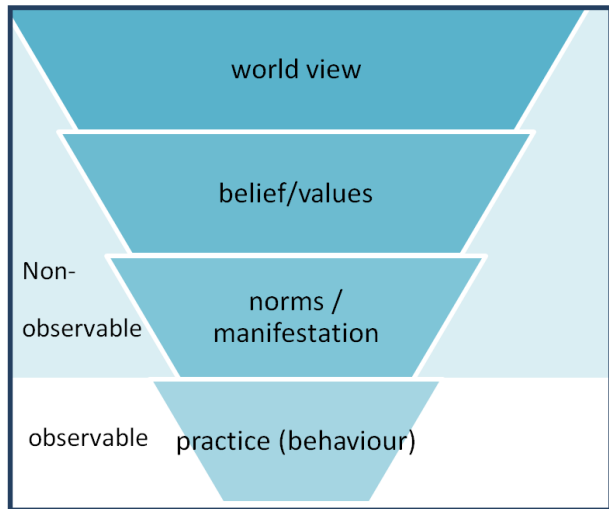


Figure 3: The Structure of Literature Review

Before investigating *how* Chinese consumption is performed I investigate *why* it is performed in that way. After that, I consider historical changes in consumer behaviour that have led to consumption practices in contemporary China. Then, this thesis looks into consumption practices determining a new concept that arises: “Consumption Face”. It is important to emphasise that current consumption practices in China have been largely formed in very recent times compared to the long history of China. Chinese patterns of consumption have been radically changed by Western influences in the last 30 years. Hence, there are not many scholarly studies of current Chinese consumption to review. However, as the consumption pattern, and the underlying understanding of reasons for the possession of material goods, comes from the West, there is a larger body of Western studies that can be included to advance understanding of Chinese consumption behaviour, as well as the cultural background. It is also helpful to further our common understanding of Chinese consumption by applying established Western terminology and expressions to the interpretation of Chinese consumption behaviour.

Etic and Emic approach: through both Chinese and Western eyes

It is relevant, and necessary, to analyse both through Western and Chinese eyes, the understanding of consumption behaviour as well as the impact of Face on consumption. For the most part, the relevant theories and concepts I discuss in this thesis have been developed in the West, and are largely based on Western understanding of Western culture. This approach (etic), has been challenged, as, while it may precisely propose reasons and

motives for behaviour based on quantitative findings, it may not understand the inherent basis of cultural behaviour that comes from being brought into a culture, and living in it. An emic approach, whereby people within a culture look at themselves to obtain explanations based on their beliefs, education, and the environment that supports their existence, and experiences, may provide fundamental truths for local people that may not be understood by outsiders due to their lack of knowledge of the environment and history of the people being studied. Therefore, I endeavour to use both etic and emic perspectives to examine Consumption and Face, and arrive at a conceptualisation of “Consumption Face”.

Thus, after an introduction of Chinese historical and ideological background, I review the previous studies on Face from both Western and Chinese perspectives. I clarify the difference of understanding of Face from both perspectives. Further, I review some relevant concepts and theories already established in the West and highlight the distinctions of the two cultural backgrounds: individualism – collectivism, independent – interdependent, etc. Even though some formation and mechanisms of behaviour in both Eastern and Western cultures are similar, the overall cultural backgrounds produce other differences.

Altogether, the structure of the literature review chapter is as below (see Figure 4).

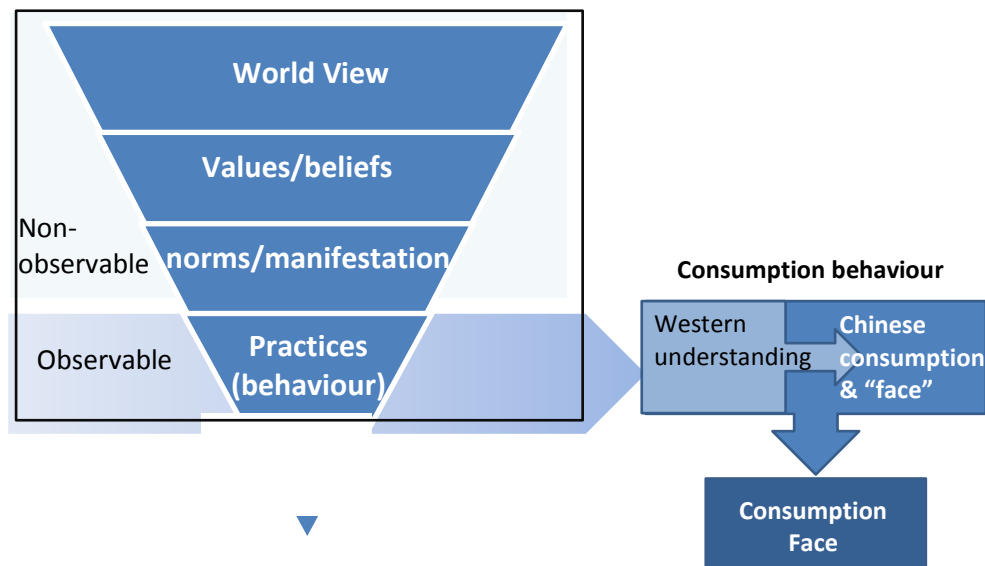


Figure 4: The Structure and the Approach of the Literature Review

1.4 The Organisation of the Thesis

The nine chapters of this thesis are arranged in five parts, beginning with this introduction in Part I. The literature review is presented in Part II, Chapters Two to Five. In Chapter Two I review how Chinese behaviour has originated and been formed to establish its values and motivations, and the nature of China as a basic introduction to this ancient culture. The relevant ideologies and the basic three philosophies and religions: Confucianism, Taoism and Chinese Buddhism, and their disciplines, teaching and influence are then discussed. I outline some basic values, relevant social norms, and the relationships between them and their profound influence on the formation of typical Chinese behaviours. This review of the nature of China and its ideology will conclude with the two cardinal rules in Chinese culture in terms of social behaviour through analysis of its antecedents: societal conformity and the interaction in social groups, which will consequently form Consumption Face. Among the social norms and social factors which are reviewed in Chapter Two, the concept of Face will be clearly defined and its relationship with other factors will be shown. The importance of Face and its impact on behaviours are also discussed.

To further analyse Face, In Chapter Three I move to a bigger perspective, in order to have a general comprehensive view. I review all Face relevant studies from 1930 to 2013 that I could identify, and analyse the influential studies from that set. After clarifying both the Western-understood Face and Chinese Face, I review different types of Chinese Face, and developed a “Face matrix” to show their relationships from various aspects. From this position, Consumption Face is naturally seen as part of Chinese social Face, *Mien tzu*. Because of the newness of consumption in China, I explain the evolution of modern China and how consumption is increasing in China.

Thus, in Chapter Four, I introduce the historic changes after the establishment of the People’s Republic of China, from Maoism to Deng’s time: the economic Reform and the Open-Door policy as well as its impact on Chinese, from the ideological level to patterns of behaviour. That discussion is centred on the evolution, and new forms of the two cardinal Chinese behavioural factors, societal conformity and social group. I then define Consumption Face.

Chapter Five presents the conceptualisation of Consumption Face. To understand the definition of Consumption Face, one may be wondering about the differences between it and some relevant Western concepts, as they have some effects in common. Therefore, in

Chapter Five, after I review the cultural backgrounds of West and East, as well as the necessary relevant research areas, I compare Consumption Face with other Western concepts, which also in turn helps to conceptualise Consumption Face from a broader perspective.

Consumption Face is conceptualised into a multi-dimensional concept after a clarification within Chinese literature and comparison with relevant Western concepts, based on the theoretical review.

Part III sets out the research design and methodology. In Chapter Six I propose the research questions and hypothesis relationships for further tests. I also explain how I operationalise the questions followed by the design of relevant studies by using survey data. Hypotheses are presented with each study design.

In Chapter Seven I first present the operationalisation: (1) the development of Consumption Face measurement for each of three dimensions I developed in the previous part of this thesis; (2) the classification of age cohorts; and (3) the classification of product category for measurements in the survey. To increase the validity and reliability of the survey's measurements, a preliminary test is conducted to select archetypical products to be used in the main survey, according to the categories classified in (3) above. The last section of Chapter Seven introduces the design of the main survey for data collection, the methodology and the quality control process.

Chapter Eight in Part IV comprises the studies that are designed to test each of the 13 hypotheses in order to answer the research questions. Chapter Eight contains five studies and results:

(1) The first study is designed to test the validity and reliability of the CF measurement that has been developed in (1) above in Chapter Seven. This is the first time, to my knowledge, that an instrument to measure this new concept of Consumption Face has been tested. Some difficulties are addressed at the beginning. This verification is to ensure the measurement can be usefully applied in my subsequent research, as well as for future potential researchers. The results are positive. (2) The second study examines whether Consumption Face still influences young Chinese, compared to older generations, to see if there have been changes of Consumption Face Influence (CFI) on the formation of preferences since China began the adoption of Western economic practices. (3) The third study is designed to assess the

difference of CFI on product categories and brand decisions. The study 3-B uses the same approach as Study 3, but aims to assess the relationship between demographic factors and CFI, such as gender, marriage status, family type, education background and the size of the city. (4) The fourth study is designed to measure the relative impacts on preference between three dimensions of Consumption Face and to investigate what specific dimensions work well with what type of products. (5) The fifth study is a side-study, in which I cross an academic domain boundary and use my data to re-test a previously published paper's result. This other paper used rice theory to classify Chinese people, who are either from the north or south of China and are generally descended from ancestors accustomed to different cultivation patterns, to determine if they propagate collectivistic or individualistic tendencies. The results from the comparison are used to cross-validate the measurement of CFI, and also to double check the findings of studies 2 and 3 that relate to the influence of CFI on Chinese youth.

Part V offers discussion of the findings of these studies and considers the applications of the research for academic theory in both Chinese culture and marketing, as well as some practical implications for understanding Chinese consumers for marketing strategy. The thesis concludes with a summary of the research, limitations, and suggestions for further research.

1.5 Note of Translations

When talking about Chinese culture, some Chinese terms involved have to remain in Chinese with an explanation, rather than using the English translation. To Romanise Chinese characters, I use *Hanyu pinyin* (汉语拼音), the official Romanization system for standard Chinese in mainland China. When it first appears, an explanation will be provided. For example, *He Xie* (harmony). However, another *pinyin* system, Wade-Giles, was before *Hanyu pinyin*. Some Chinese terms that used to be introduced into English in Wade-Giles will remain in Wade-Giles, or both, (for example, *mien-tzu* (*mianzi* in *Hanyu pinyin*, the social Face)). Those *Pinyin* terms will be italicised. The initial Chinese characters of these terms will also be stated with *Pinyin*, to give Chinese readers a direct expression of the meaning. For example, *renqing* (*jên-ch'ing* in Wade-Giles, 人情, favour, or the human obligation to the social group). I have also provided a Glossary of all the Chinese terms used.

PART II: BACKGROUND AND LITERATURE REVIEW

OVERVIEW OF PART II

We cannot talk about a particular social behaviour without understanding its social context. Chapter Two begins with a brief introduction of the nature of China then reviews the basic ideologies in China that dominate Chinese behaviour. This will be in order, from a worldview layer to values, and to social norms inspired by the Bucket model as stated in Chapter One. This will provide a foundation for further understanding of Consumption Face, why Chinese behave as they do, and the importance of Face to Chinese; particularly, this review emphasises the nature of conformity in this typical interdependent interacted collectivistic society (Tiandis, 2000, 2001; Gudykunst et al., 1996; Markus & Kitayama, 1991; Singelis, 1994; G. H. Hofstede, 1980). The social norms section includes more than norms, and also considers certain social factors, including *guanxi*, *renqing*, Face, and in-group and out-group interactions. This fundamental approach highlights the importance of social group in Chinese culture. These factors will be used throughout the thesis as explanations of my conceptualisation of Consumption Face.

I need to declare that the consideration of Chinese ideology and consequent values in this thesis is not a comprehensive, general overview. Chinese ideology is a large and broad topic: its evolution is complicated and profound. What I introduce and discuss in this thesis are just relevant aspects, aimed to provide a background for further study of Face. This is not a cultural or philosophical thesis. Some aspects of Chinese ideology will be not mentioned or discussed in depth, for example the introduction and discussion of Confucianism, Taoism and Chinese Buddhism is brief; to deeply study these is beyond the scope of this thesis and would greatly blur its focus.

After introducing Face as a social norm in China and “Face’s” relationship with other factors, Chapter Three begins with a review of relevant Face studies from 1930 to 2013. The “interaction Face”, the most widely studied aspect of Face, is distinguished from “Chinese Face”. After that, a “Chinese Face” matrix is gradually developed through a review within the “Chinese Face” domain. To conceptualise the specific type of Face that influences consumption, I then describe the rise of consumption in China with reference to the historical changes in modern China as causes and effects. Consumption Face is then

outlined and defined, followed by the comparison of Consumption Face and related Western concepts.

CHAPTER TWO: THE NATURE OF CHINA AND ITS CULTURAL BACKGROUND: CONFORMITY AND SOCIAL GROUP IS DEEPLY EMBEDDED

2.1 The Nature of China

China is a continental country as opposed to an island country like New Zealand or a country with an extensive archipelago such as Greece. In ancient times Chinese believed their land to constitute the world and did not consider there were other countries. When they saw the ocean, they thought it was the edge of the land where they stood and that there were no other lands (Feng, 1948). This is important to Chinese culture because Chinese largely relied on agriculture: they farmed and they planted, and, unless massive disasters like prolonged drought occurred, they did not migrate. Also, their basic understanding of the universe, specifically, the understanding of the relationship between humans, sky and earth, was where Chinese philosophies developed. In comparison, the various Western philosophies were developed from those of the ancient Grecian scholars (Socrates, Plato, Aristotle), who lived in a country close to other cultures developed in Europe, Asia Minor, and Africa. Thus they developed a different understanding of the universe and the relationships between humans and the world as they were easily able to travel by sea and land to make contact with other peoples of the Mediterranean.

Another result of being a continental country is that Chinese people traditionally remain in one locality for many generations (Feng, 1948). The structure of Chinese society developed from this immobility and influenced many aspects of Chinese culture.

One thing I need to claim here is that the “China” I am talking about in general in this thesis refers to the Han Chinese, which does not include Mongolia and Tibet. Mongolia and Tibet are two Autonomous Regions to China, and historically, these areas did not belong to the traditional Chinese culture.

Farming requires co-operation and influences the development of a people’s patterns of interaction. Growing rice and wheat demands more cooperative-work by people than herding livestock that involves more individual work (Talhelm et al., 2014). Chinese people lived in the same locations from generation to generation, and they co-operated in farming,

principally cropping, for their living. This type of existence formed the nature of Chinese social interactions, and their relationships with each other. For example, they cherish their personal reputation and that of their family. They try their best to avoid conflict for the good of long term harmony. *Guanxi* (network) and *renqing* (favour exchange), to be discussed in the following section, evolved from this life pattern.

Families are the cornerstone of society and are important in forming societal hierarchy.

Family is the basic societal unit in most societies. In Han Chinese societies it is especially important.

When Chinese lived in the same place for many generations, families became big families, normally with three or four generations living together. A family was like a community. In order to manage the family it was necessary to have rules and hence the development of hierarchy to implement these rules. The primary general principle of a hierarchy was that juniors respected and obeyed their seniors' orders and women obeyed men's orders. The strict hierarchical structure defines the different roles according to the ages (younger obey the older), gender (wife obeys husband) and blood relationship (father's side is superior to mother's side). Hence, the younger generation has to respect older generations and to do whatever the elders ask them to do, without argument. For instance, in the past Chinese had marriages arranged by their parents and had no choice but to accept it. This was an aspect of hierarchy that maintained order within a family.

Through marriage, the basic "relative relationship" is extended (C. H. Chen & Tyler, 1982). The family is a network connected by kinship and marriage. When a family extends, the strength of such a network is reinforced, which benefits every member of a family. In addition, Chinese society is "a clan-like network" (S. H. Park & Luo, 2001, p. 456). "Clan", (those connected by geography) and friendship (those connected by previous association) further extend to form social groups. For an individual, this is like a ripple effect that starts in the centre and moves outwards. Distance from the basic family core represents different degrees of intimacy and obligation (Fei, 1992).

In summary, the basic understanding that China was the centre of the universe formed the basis of Chinese philosophy. Immobile (fixed) residence and cooperative farming patterns determined the intensity of interpersonal relationships, strengthened the hierarchical structure of the family, and this extended to society at large. This is the foundation of formalisation in this collectivistic society.

In the next section, I briefly discuss the basic philosophies and religions that form traditional Chinese beliefs, ideologies and values and where these originate.

2.2. Integrating Traditional Chinese Ideology: the Significance of Societal Conformity

In this section, I review the three basic philosophies and religions that contributed to traditional Chinese ideology: Confucianism, Taoism and Buddhism, and their relevant principles influencing Chinese behaviour, particularly consumption behaviour.

There is no specific religion that has been predominant in China over its entire history, although some predominated for periods. Generally speaking, the ideologies that drive Chinese behaviour are mainly from the three schools of Confucianism, Taoism and Buddhism (Suen, Cheung, & Mondejar, 2007; Zheng, 2001). Even though Ching (1993) states that these three doctrinal lineages are functionally equal to religions, none of them has taken the role of a Western religion, ruling Chinese people as Christianity or Islam has in other regions. Rather, Chinese people absorb the wisdom of these religions, and take whatever principles that suit the various situations for which they require support. Yang (C. K. Yang, 1967) describes this phenomenon as a ‘diffused level’ as distinct from an ‘institutional level’. Diffused religious ideas and practices from Confucianism, Buddhism and Taoism were integrated and mixed to become “part of the concepts, ritual and structure of secular social institutions” (Jenkins, 2002, p. 41). These diffused religious ideas tended to ‘support values already present in society and its institutions’ (Jenkins, 2002, p41).

For example, ideas from the Confucian school are used to steer daily life and encounters with others. However, when one is in adversity, the tendency is to think more from the perspective of Taoism, which teaches that the real world is meaningless, and one needs to be beyond the purposes and concerns of failure and triumph. When people worry about their destiny or suffer something they cannot change, Buddhism is what they normally refer to for relief as Buddhism reveals that fate is predestined, that you have to accept your fate, and by doing good you can have a better life after your next birth. “Chinese tend to be a Confucian with prosperity, to be a Taoist in adversity, and to be a Buddhist in desperation” (H. Fan, 2014).

Obviously, the three ideologies are not as simple as I have outlined. Each of them has been well-structured, systematically.

In classical Chinese philosophy, there are a great number of fundamental concepts (Dellios, 2009). This thesis will not consider them all, but concentrates on those that I regard as relevant to the objectives of the thesis. I describe the concepts briefly focusing on their relevance to the relationship between Face and consumption behaviour. For example, in considering Confucianism, I will mainly refer to Classical Confucianism and not to the Confucian streams that developed later after the life of Confucius. Chinese use the sayings of Confucius freely, and apply them according to their particular specific purpose, and not necessarily to their real meaning as intended in the original doctrine. In general, the religious and philosophical understandings of Chinese people are flexible and adapted to provide support or relief due to given circumstances in life. In this regard they differ from the strict doctrines applied by some other religions or sects, for example those of Christianity, that challenged the traditional beliefs of Chinese in their interaction with Europeans.

2.2.1 Confucius and his teachings

Confucius (551-479 BCE), was also named *Kung Tzu* or *Master Kung*, and his influence has often been compared to the Greek philosopher Socrates in regard to the importance of their historical contributions to the development of eastern and Western cultures (Hofstede & Bond, 1988; Steinkraus, 1980; Tweed & Lehman, 2002). Confucius was primarily a teacher, and his disciples collected his scattered sayings and edited them into Confucian *Analects* (*Lun Yu*). These became the Chinese foundations of education and philosophy, and also formed the basis of the civil service examination system until the early 20th century (Jenkins, 2002). Confucian teachings were continuously influential in China for more than a thousand years. From the establishment of the Han dynasty (circa BC 140) Confucianism became the predominant ideology suppressing other schools of thought and teaching. Confucianism became a kind of Constitution for China and continues to play a dominant role in Chinese history (Ambler, 2009).

Confucius spent many of his mature years (from age 55 – 68) travelling China from one state to another to sell his knowledge system for the administration of their territories (Yao, 2000). He formulated well rounded principles and rituals for people to follow, encompassing the empire, aristocrats and the common people for the purpose of establishing and maintaining a harmonious society. Confucianism is not a religion, rather it is a set of lessons in practical ethics to guide people's public lives based on the Confucian philosophy

of harmonious social relations and moral standards (Jenkins, 2002). For individuals, Confucianism emphasises virtue (*Jen* (benevolence; or Humanity (Berlinc, 1979) and righteousness (*Yi*), to provide a moral compass for Chinese to guide their behaviour (Hofstede & Bond, 1988). This provides virtues that are essential for self-respect and for the maintenance of relationships with others, defined as *Li* (propriety) and *Cheng* (sincerity) (Ho, 1995).

In Confucianism, a sense of justice is considered the inherent quality of humanity rather than the ability of rational thought (Jenkins, 2002, p. 41). Harmony is created through administration of governance of generally accepted institutions and customs sanctioned by natural law, “rather than through adherence to sanctions-based legal systems”. (Jenkins (Jenkins, 2002, p. 41). The nature of law in the East and West reflects the character of their cultures. In Roman law, the basis of Western law, in theory at the highest level, law is the reflection of reason, and not the law of animal life (Cantor, 1993). In China, the justice system was administered through the discretion of authorities. There is no jury. The execution of law is discretionary: it has a range of freedoms and it allows exceptions beyond the law. The law system was established by authority, explained by authority and executed by authority. Authority-orientation is inherently embedded in Chinese culture (Dien, 1999).

In classic Confucianism, *He xie* (和谐, Harmony) is the ultimate purpose of human society. Indeed, it is the ultimate principle of the world. It has also been re-highlighted by the Chinese government in recent years and social harmony has become a key mark of political performance in China. *He xie* literally means suiting and matching in Chinese (I will use harmony instead of *He xie* in what follows). Harmony is stated in Confucius’ various classics. From *Shi jing* to *Yi jing*, harmony is strongly emphasised to be part of nature, the entire universe comprises a grand harmony, and “the myriad things all keep on their own path of life” (Chenyang Li, 2008, p. 425). Harmony was referred to as like making soup: water, fire, vinegar, sauce, and plum mixed to cook fish, everything in the right amount and mingled together in order to balance the taste (Chapter *Shaogong* 20, *Zuo Zhuan*). Music is another metaphor to describe harmony: all sounds come at the right time and place, “music is the harmony of the Heaven and Earth” (*Yue Ji* Chapter, *Li Ji*). In the *analects Zhong yong* and the *Mencius* (Confucian classics), the concept of harmony serves an important role in defining social and political philosophy. For the social perspective, harmony is achieved by the right actions and intercourse, avoiding any conflicts. The main function of *Li* (礼, rites,

rituals of propriety) is “precisely to harmonize people of various kinds” (Chenyang Li, 2006, p. 587) (*Li* will be considered further in the value section). It is the ideal image of Confucianism that people happily live with other people and with nature (*Tian Ren Heyi, Zhong Yong*)(Zhu & Jin, 2006).

Confucianism is a respected discipline, not only in China, but also in East and South East Asia (Jenkins, 2002). Even Hofstede, who in 1984 constructed the well-known and widely used cultural differences model consisting of four dimensions, added (in 1988 with Bond) a new dimension, ‘Confucian Dynamism’ (later this dimension was named Long term orientation (LTO) added to the original four-dimension framework: Power Distance; Individualism-Collectivism; Masculinity – Femininity; Uncertainty Avoidance) (Hofstede & Bond, 1988). Further, Hofstede and Bond (1988) also found the fifth dimension, ‘Confucianism Dynamism’ to be strongly associated with a country’s economic growth. Confucianism is the very essence of Chinese culture; even now, a resurgence of Confucianism is reported in China due to the great number of Chinese who are seeking an alternative to rampant materialism (M. Fan, 2007). Also the Ministry of Education of China has made an effort to promote this, and has approved more courses in Confucian culture from primary school to college (Guo, 2015). The Renaissance of Confucianism seems on the rise in contemporary China (Ruiping Fan, 2011; Gan & Zhou, 2012). The main Confucius teachings are discussed later in sections 2.3 and 2.4.

2.2.2 Taoism: Tao and Wu Wei: not being and doing nothing

Taoism is another influential philosophy indigenous to China. Taoism traces its origins to an extraordinary thinker *Lao Tzu* (*Laozi* in *Hanyu pinyin*, 老子, which literally means the ‘Old Master’). *Lao Tzu* lived at the same time as Confucius but was older. His book, *Tao Te Ching* (道德经, the *Classic of the Way and Power*), has been regarded as the first philosophical work in Chinese history.

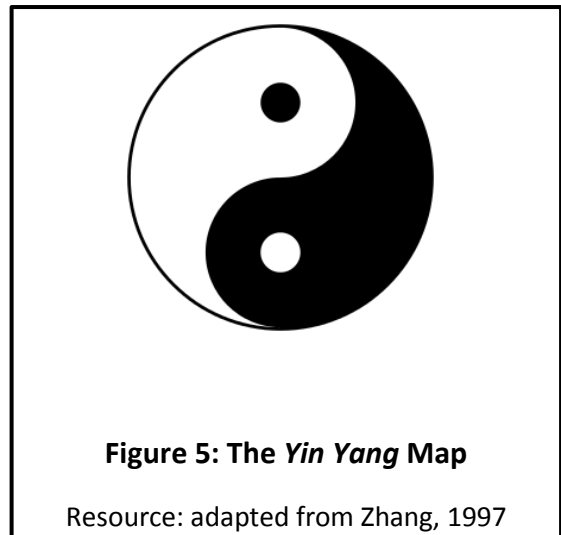
Some scholars regard Taoism as the Chinese counterculture against the dominant culture of Confucianism (Ho, 1995, p. 119). However, while Taoism is mostly different from Confucianism, it is not contradictory (L. Tang, 2009). Confucianism is sophisticated with social conventions, giving emphasis to virtue and benevolence to teach and guide, and rule people’s life routines and behaviour, with the government being ruled by the scholar class. By comparison, Taoism is more romantic and directed to the individual and to individual

freedom (Ho, 1995). According to Taoism, the good life is “the simple life, spontaneous, in harmony with nature, unencumbered by societal regulation and free from the desire to achieve social ascendancy” (Ho, 1995, p. 119). The most important essence of Taoism is to reflect and obey nature, capture the pace of nature, follow it, and minimise selfhood and any personal purpose. Hence, at the base of Taoism is the principle of “*Wu Wei*” (无为) i.e., doing nothing purposely; acting in ways that “do not go against the grain of nature” (Needham, Wang, & Lu, 1963). The *Tao* is the “way” Taoism teaches, of not being concerned with affairs of the state, mundane or quotidian matters of administration, or elaborate rituals. Rather, it encourages avoidance of public duty to search for a vision of the transcendental world of the spirit (L. Tang, 2009).

Chinese use Taoism to console themselves, especially when they are in adversity. Taoism preaches that one needs to follow the way of nature (*Tao*) and to avoid strife. Hence, we may conclude that *Tao* philosophies are practical, or people make them practical for their own purpose according to their needs.

Yin and Yang: no truth in the world but all is interwoven

Taoism believes in one universal principle, *Tao* (the way, 道). This *Tao* has two sides, *Yin* and *Yang* (阴 and 阳) (dark-bright) (see Figure 5 the *Yin* and *Yong* map). *Yin* and *Yang* are considered the two contrasting sides of one unity: if the sunny side of a hill is *Yang*, the shady side is *Yin*. The same applies to the Chinese consideration of the sun to the moon, day to night, man to woman, and fire to water. When *Yin* and *Yang* embrace each other, they reveal that the world is not as simple as black and white, rather, black in white and white in black, and this remains a balance and forms a unity. Only when *Yin* and *Yang* reach a balance in proportion is harmony achieved. If harmony is not achieved there must be something wrong, and one of the sides, *Yin* or *Yang*, needs to be adjusted by addition or reduction accordingly.



This duality lies at the roots of Chinese science and philosophy, and also provides a theoretical base for Chinese medicine. Taoism believes that this duality is how the universe and also nature work, and that the principle applies everywhere. Harmony is a balance. A perfect balance is only reached when all elements and participants are in the correct position. When any of the elements change their position, the move will impact on the rest of the balance. It will change to become disordered until the whole ecology/circle reaches a new balance. Hence, *Tao Te Ching* (the way of power), the principal book of Taoism, tells that nothing is absolutely right and absolutely wrong. Thus “when a thing reaches one extreme, it reverts from it.” (Ch, 40) (Feng, 1948). Hence, one of the laws of nature in Taoism is: “it is upon calamity that blessing leans, and upon blessing that calamity rests” (Ch. 58) (Feng, 1948).

Taoism is not contrary to Confucianism. Rather Taoism is supplementary to Confucianism providing a greater understanding of the harmonious natural world and minimising the significance of invasive human interventions (Jenkins, 2002). Thus another Taoist core principle is *tzu-jan* (自然; literally, “nature” or “so be itself”). Taoism and Confucianism as well as Buddhism which I will discuss below, the three “Teachings”, are integrated as a framework to Chinese and in the process of Chinese mind-cultivation (Berlinc, 1979).

2.2.3 Chinese Buddhism

It needs to be stated that ‘Chinese Buddhism’ and ‘Buddhism in China’ are different (Feng, 1948). There are many schools and streams of Buddhism in China (Ling, 2004). Buddhism adapted itself to meet the requirements of Chinese authority when it arrived with very little influence at the beginning about the first century AD, Han Dynasty (Ch‘en, 1964).

After the Tang dynasty (618 – 906 AD), Buddhism in China became “a popular religion which was less philosophical, less ritualistic and more experiential than standard ‘other-worldly’ Buddhism” (Jenkins, 2002, p. 43). Even though some believe Buddhism is a religion, strictly speaking, unlike Confucianism and Taoism, it is not treated as a religion in China. There are very few dedicated Buddhists in China, even though there are many Chinese people who believe in Buddhism. That simply means they believe in some well-known Buddhist beliefs. Rather, Buddhism is a kind of philosophy, a “Teaching”, the same as Confucianism and Taoism (Berlinc, 1979). Nowadays Chinese, especially businessmen and women, tend to impress on others their desire to be a Buddhist because the impression

suggests that they are trustworthy businessmen. Buddhists do not lie. Abstaining from false speech is one of the main Buddhist precepts (Salgado, 2004).

Also it is considered fashionable in China to have a belief. For example, Buddhist beads are popular with China's new rich. Before the iWatch was launched in China, the Buddhist bead bracelets were jokingly considered to be the biggest competitor to the iWatch because they both occupy the wrist (Allen-Ebrahimian, 2014). However, the Buddhist bead bracelet is not a sign of a real Buddhist. Most of the owners believe more or less in some well agreed Buddhists values as many others do. Those generally accepted concepts of Buddhism have been widely accepted by educated Chinese up to the present.

Karma and Saṃsāra

One of the core concepts of Buddhism is Karma (in Chinese *Yeh*, 缘), the actions due to cause and effect. Another is Saṃsāra (reincarnation)(in Chinese *Lunhui*, 轮回) (Feng, 1948; Shyan Fam, Waller, & Zafer Erdogan, 2004). By this concept everyone will be reborn as the soul of another human or nonhuman body, and one's actions (Karma) in the present life will affect your soul in future lives.

Karma is sometimes misunderstood in the West as fate or predestination. Literally, *Karma* means "actions", which is both the power latent within actions and the results our actions bring (Rinpoche, 2009). However, the meaning of *karma* is much wider than "actions". Karma also implies the relationships between things and actions. According to Buddhism, all the phenomena of the universe, and an individual's actions and practices, are the manifestations of one's mind (Feng, 1948). Everything one does must produce its results no matter how far in the future. This result is the retribution of the Karma (*Yeh*) (Feng, 1948). It might be explained by *Yin-guo* (因果): cause and effect, and the relationship between them. Everything happens due to a reason or an action one has done, no matter whether it was yesterday, years ago, or even in a previous life. Eventually it will come as a reward or a penalty. In addition, all things and actions are related to each other, and involve interactions with the *karma* of other people.

Another concept, *Saṃsāra*, is relevant to *Karma*. *Saṃsāra* in Buddhism is defined as the continual repetitive cycle of birth, life and death, as well as one's actions and consequences in the past, present and future. To Buddhism, this cycle is continuous, which means one will be reborn repeatedly over time. However, one can make a change in a present life for a

better future life. The driving force behind rebirth is *Karma*. Therefore, it is the Buddhist view that the nature of the present life is determined by one's actions (*Karma*) in the previous life. Our actions (*Karma*) in this life determine the circumstances of our future rebirth (Rinpoche, 2009). The concept teaches Chinese that in effect you are suffering in your present life because of what you did in a previous life. Thus, you have to accept suffering in the present life as you cannot change what happened in a previous life – this is the essence of Karma. What you can do is to accept the conditions of your present life, and by being a good person you will have a good life when you are next reborn in the process of *Samsara*. This may not be the exactly the meaning intended in original Buddhism, but Chinese Buddhism adapted through history to meet the political demand and mind tool-set for Chinese people (Orzech, 1998).

2.2.4 Summary of ideology Section

The Chinese mindset is integrated. It is a “syncretic mixture of Buddhism and Taoism within a Confucian framework” (Jenkins, 2002, p. 41; Ching Kun Yang, 1961).

Confucianism and Taoism are not formal religions, although functionally they are considered to be equivalent to religions, such as Chinese Buddhism (Ching, 1993). These religions and their practice are embedded in Chinese culture and provide people with ‘tool-kits’ for living. Such tool-kits are very useful and practical resources to construct action strategies for Chinese to respond to the various situations they encounter in their lives (Swidler, 1986).

2.2.4.1 Religions in China are practical and sophisticated

As with the many churches and synagogues in Western countries where Christianity and Judaism predominate, and mosques in Muslim countries, there are temples all over China. But most Chinese do not believe in any particular god. This is a fundamental difference between Chinese and the religions of Judaism, Christianity and Islam that have a belief in one God (Bodde, 1942). Chinese go to temples to ask for favours by offering prayer money for their personal fortune, for having children, and for curing illnesses, etc. Chinese do not mind what god is represented in the temple no matter whether the god relates to Confucianism, Buddhism, Taoism, or some other pre-Confucian ancestor cults. As long as they have heard that the figures in particular temples are efficacious in granting what they want they will pray and make offerings to them.

What Chinese do is more like trading with gods. Thus they do not mind praying to many gods, as they are not loyal to a specific certain belief. This is not a problem for them. On many occasions, for example, at traditional funerals, Buddhist and Taoist monks are often invited together to pray for the deceased, under funeral procedures ruled by Confucian rituals (Watson & Rawski, 1988).

Chinese culture is human centric (M. Weber, 1964). Chinese believe their personal duty is to optimise their own lives by conforming to the laws of nature (自然), and fixing them into the context of nature. God does not play a dominant role in their lives, unless there are problems for which nature cannot provide a solution. Then they will worship and pray to gods to meet their needs.

Max Weber once stated that Chinese lack fear of the gods (M. Weber, 1964). Religions in China are “practical religions”. Worship of great deities is the emperor’s duty (because it is believed to be the Son of the Heaven (Ren, 1998)). On important days, such as the Chinese New Year, Chinese do not worship gods but worship their ancestors. They supplicate their ancestors to protect their families and children and to bring them safety and good fortune. This gives more sense to why Chinese dedicate themselves very much to their families and in-group. I will discuss this later in section 2.3 and 2.4.

Further, lack of fear of God allows materialism to easily invade the value system, in a changing and unstable ideological situation. The fear of God can draw a bottom line for acceptable human behaviour with concerns of ethics and morality. Without a bottom line, human behaviour can be exaggerated. This might be suggested as one of the reasons why when China became market-oriented in the late 1970s, materialism came to dominate society, Chinese are passionate about creating wealth by any means. Even the means of getting rich have been criticised with regard to personal morality, the increasing crime rate and illegality (Deng & Cordilia, 1999; Osburg, 2013; Whitcomb, Erdener, & Li, 1998).

2.2.4.2 Harmony is the key in social interaction

As mentioned earlier, harmony is the ultimate principle of the Confucian ideal. It also matches Taoism in the sense that people and nature exist harmoniously without conflict. *Yin Yang*, the balance theory of Taoism, was later integrated into Confucianism as a process of harmonization: “Following the Heavenly Dao” (*Xuntian zhidao*, 循天之道) (Dong Zhoughu, 179 – 104 BC) (Chenyang Li, 2008). Buddhism also supports the idea of

harmony in the sense of “not fighting for anything” in self-discipline and *Karma*. Hence, harmony became a prevalent and prime concept in China, influencing people’s interactions. Confucian harmony is not a “perfect agreement”. Harmony is not an immediate harmony in the Hegelian sense. It suggests various parties co-exist in harmony, and that this is natural. What it suggests is the way to deal with conflicts and difficulties to achieve harmony. When conflict occurs, there must be something that is not at the right place or right time. It indicates the need to find the cause of the conflict and balance it with other factors to reach an ideal situation. The right action in a conflict is not to argue but to find a way to make compromises to make each party satisfied, in order to regain harmony.

2.2.4.3 Chinese thinking is context dependent

Unlike Western thinking where the three major religions (Judaism, Christianity and Islam) are very much concerned with Truth, the East, especially in China, as represented by Confucianism with Buddhist and Taoist influences, the thinking is that no one human being can possess Truth as one Truth does not exclude its opposite (Hofstede & Bond, 1988). Like *Yin* and *Yang* in Taoism, everything possesses two poles of fortune at the same time. Right coexists with wrong; good coexists with bad. For example, one of the logical philosophers in China, S. Hu (1996) explained the connection by saying that if one makes a wooden table, from the point of view of the wood it is destruction, but from the point of view of the table, it is construction.

According to Taoism, *Tao*, the way, cannot be discussed because the founders (*Laozi* and *Zhuangzi*) did not believe in words. The way of learning the *Tao* is *Wu* (悟); this is self-perception without discussion. This is the trick: as the *Tao* cannot be discussed and debated, there are no clear, structured, well agreed understandings and practices that can be used to respond to different situations. Hence, everyone can have their own understanding, and these cannot be verified to be right or wrong. One consequence of such vague philosophy is that it is hard to apply to the events of daily life. It lacks clear paths to follow. Both Confucian and Taoism principles say something philosophically, but these philosophies are hard to apply to daily life or to advise and direct executive ways or practices of living and interacting. The fact that these practices can be explained in different ways facilitates the situation-oriented application.

There is not an absolute solution for each problem affecting people. There are no firm laws to follow. Rather, it all depends on the situation and on what ideology a person intends to use to convince themselves because all the theories make sense. “*renqing* is bigger than the heaven” (人情大于天), everything is negotiable and depends on its specific situation. A saying in one of China’s Four Great Classical Novels, *Dream of the Red Chamber*, “a great man acts according to the occasion” (大丈夫相时而动) teaches that how one responds to a situation depends on the context and the position of others. The self in China is context dependent, and the Chinese personality is considered flexible, in contrast to the personalities of Westerners (Markus & Kitayama, 1998).

2.2.4.4 The way of self-living and treating others, from Buddhism

The integration of Confucian, Taoist and Buddhist teachings has long dominated mass Chinese thinking and still structures and influences the Chinese mind (Bodde, 1991; Ronan & Needham, 1978).

Calmly accept what your current life is. *Karma* and *Samsāra* became very good tools and ideas for authorities to use to console the poor and to keep them where they were. Therefore, society tended to remain stable without agitation for fairness and equality. This was one of the important reasons why Buddhism gained a good position in China when it was introduced. Later, Buddhism developed to become the predominant philosophy, rather than a religion (Bodde, 1942), in China. Some practical Buddhist principles were then widely adopted to profoundly guide Chinese behaviour.

Self-discipline: the way of dealing with desires. Buddhism believes that desire is the source of all pain and that pain can be overcome by suppressing desire (L. Tang, 2009). According to Buddhism, all suffering arises from desires. Hence, Buddhist doctrines teach to end suffering by eliminating desires. As examples, the doctrines include the five precepts: do not kill, do not steal, do not lie, do not misuse sex and do not consume alcohol or drugs (L. Tang, 2009). To do so, devout Buddhists exercise personal discipline to eliminate their desires (Dillon, 1998). Keeping life simple and easy is seen as the way to avoid exploring the many things that could arouse desire. Devout Buddhists are not self-indulgent, or materialistic.

Kindness and selfless to others. Beside self-discipline, Chinese Buddhism also has its practices of treating others. Chinese Buddhism promotes honesty, good conduct, being

compassionate, being charitable and selflessness (Dillon, 1998; Morgan, 2007). They endeavour to have nice words about, and kind thoughts for, others, speak respectfully and limit expressions of sexuality and anger. Being kind and selfless makes them unlikely to exploit others. This is an important reason why Buddhism was tolerated and supported by authorities because Buddhist beliefs restrain conflicts for the sake of peace.

Accept what you are, keep a simple life without asking for more, be kind to people and do good deeds to obtain a better life in the next reincarnation. These doctrines to a great extent calm people and therefore helped the authorities to govern the nation over long periods.

2.2.4.5 An Ascription culture rather than an achievement-oriented culture

After Trompenaars and Hampden-Turner (1998) discussed the dimension of ascription vs. achievement in their work, Lee and Peterson (2000) list China as one ascription country in their study on the basis of the cultural dimensions defined by Trompenaars and Hampden-Turner (1998) and Hofstede (1980). Chinese culture is considered as ascription- rather than achievement-oriented, where a person's social status is determined by their achievements gained by competition and hard work. Conversely, in an ascription culture, a person's position in the hierarchy of social status is achieved or earned by birthright, age, gender, education, occupation, and family background (Trompenaars & Hampden-Turner, 1998). Confucian doctrines support an ascription culture that determines social status. In China, people accept the hierarchy and take it for granted. For example, in a corporation, people in lower positions faithfully obey people in higher positions and their seniors. Their seniors may not have better achievements or qualifications but they are regarded as having higher status. Confucianism granted privileges to people in higher social classes. Buddhism teaches Chinese people to accept their fate, to accept what they are, and not to aspire to higher status.

Understanding these attitudes provides a background to the understanding of "fairness" and corresponding actions. Chinese people tend to accept their fate. Those of higher classes take their privileges for granted. Chinese do not see anything wrong if a person is given better chances and benefits because their family background is privileged. People do not complain about such privilege, indeed they admire such privilege. Commonly you will hear Chinese say when referring to privileged people: "I do not have that fate."

Ascriptive culture increases and accelerates consumption. In Chinese ascriptive culture, where social status is based on ascription rather than achievement, people tend to use wealth

to signal their higher social status. If consumers feel that ascription cannot readily improve their situation, they tend to use their wealth to achieve increased social status to overcome ascription. For example, the average age of a Ferrari customer in North America is 47, whereas in China it is closer to 32 (Elliott, 2011). These younger Chinese buyers usually use family money gained by economic success to purchase the luxury brand Ferrari to signal this success. It can be surmised that ascription of social status and wealth are interwoven, and used together to signal a person's success. By doing this, they then enhance their Face.

In 2010, "my father is Li-Gang" became a popular internet meme in China (Qiang, 2011). That was because when a young man drove his car carelessly and hit two college students at a campus (one was killed and the other was injured), he shouted to the security guards who intercepted him escaping from the scene: "Go ahead, sue me if you dare, my dad is Li-Gang!" Li-Gang was the local deputy police chief (Qiang, 2011; Wines, 2010). This incident caused a big response in a prankish way in China, such as making this saying into songs or poems, and was widely reported by Western media (Fu, Chan, & Chau, 2013; Qiang, 2011). This young man was convinced that his father's name would give him immunity. The superior family background is like a privilege that tends to be proudly used, *but in an unspoken way*. This "Li-Gang incident" was notorious because this unspoken rule about not speaking one's ascription in public was publicly broken. This young man was being laughed about because he was so naïve as to not know this basic rule.

2.3 Value

2.3.1 Wu-lun: the base of hierarchy

Confucian philosophy states that a society is impossible and unstable until five Cardinal Relationships (*Wu-lun*, 五伦) are well established. *Wu-lun* is the discipline in terms of self and relationship with others conducted in Confucianism. The basic societal relationships between people have been set down as: (1) father-son (2) emperor-minister; (3) husband-wife; (4) older-younger brothers; (5) friend-friend (Chang (H. c. Chang & Holt, 1991; Gabrenya & Hwang, 1996). For the first four of these five relationships, the latter position is lower and obeys the first position. In a family, younger generations must pay respect to older generations and follow their orders, as wives must pay respect to their husbands (Hofstede & Bond, 1988). Normally, in a family that lived together for many generations in the same place, the hierarchy from the oldest to the youngest generation was self-evident.

This hierarchy underlies the essential rules that govern family members and manage daily routines. Effectively such families are regulated as if they are a small community.

Hierarchy extends from the family to society. As I have discussed, the family is the basic cornerstone of society in China. Families extend to clans, and the hierarchical structure builds up further to encompass a society. This hierarchical structure is a doctrine of Confucianism. *Wu-lun*, the Five Cardinal Relationships, are the rules of that hierarchical structure.

2.3.2 Importance of a family

Firstly, it is noteworthy that three of the five cardinal relations of *Wu-lun*, relate to family structure (father-son, husband-wife, and elder-younger). This reveals the importance of family in China, as well indicating that the Chinese basis of relationships extends from the family pattern.

Again, according to the Five Cardinal Relationships, a person's social action is determined, not by their individual sentiments, needs or interests, but by the perceptions of their relationship with others. In other words, the relationship-oriented social behaviour pattern overrides personal individual demands and want (Ho, 1995). In the West, a person's identity may be formed independently of social groups, and of the family in particular, while in Asia, a person's identity tends to be interwoven with a collective identity (Ho, 1995). Thus, in terms of identity, in China there is hardly an individual "I" identity separated from a collective "We" identity, as in other Asian societies (Roland, 1996). This is very important because, when we talk about consumption by individuals, the roles of others is especially significant in the selection process of consumption, i.e., the decision making process in selecting an item to consume.

2.3.3 Hierarchy and paternalism produce stability

Paternalism is formed within the Chinese hierarchical structure. The junior obeys the senior, the lower position is submissive to the higher position, and intuitive decisions are made without logical extrapolation for hierarchy is regarded as the logic. For over two thousand years of Chinese history, in general society was relatively stable and civilisation was continuous without punctuation. That stability was not because of the legal system, but rather because of the nature and autonomy of society itself. "The stability of society is based on unequal relationships between people", who accept the hierarchy without

exception (Hofstede & Bond, 1988, p. 8). A Western reader may be prompted to ask: “Do Chinese people not think that this is unfair?” Recall that Buddhism comforts and stabilises people; everyone’s life is predestined, the good and bad of life take their turns: just accept what you have calmly.

2.3.4 Virtues of the individual: benevolence and righteousness

“Human-heartedness consists in loving others.”—Analects, XII, 22.

Yi (义), righteousness, means the “oughtness” of a situation (Feng, 1948). *Jen* (仁) means benevolence or human-heartedness (Feng, 1948). This is to say, the *Yi*, the ‘oughtness’, is a person’s duties in society, and the essence of these duties is “loving things” (Feng, 1948). *Jen* and *Yi* together can be simply interpreted as ‘one ought to always do the morally right thing’. To love others is one’s true duty to society (Feng, 1948, p. 42). *Jen* in China is considered to be alike Agape in Christianity, while *Jen* is more universal (Yao, 1996). *Jen* is the Confucian Golden Rule (Allinson, 1992; Lai, 2008). Everybody has their own duty to do for others and to society. That it must be done is one’s obligation. “Oughtness” refers to the moral things that need to be done (Feng, 1948). If, however, a person does them because of other non-moral considerations, for example for the purpose of ‘profit’, their action is no longer a righteous one. This *Jen* may be expressed by “love one another” as promoted in Christianity.

It is necessary to note that there is always a distinction between “profit” and “righteousness” in Chinese moral teaching. Hence, over the long history of China material profit was not considered to be an important and good thing to do. Consequently, in the history of China, merchants were the lowest class of profession for a long period, lower than peasants and artisans, and well below scholars who were the top class.

2.3.5 Chung (忠), Shu (恕) and Li (礼): The way to treat others

Chung and *Shu* are the essence of the practice of *Jen*. *Chung* literally means loyalty. Confucius called *Chung* ‘conscientiousness to others’ (Feng & Bodde, 1983, p. 71) In other words, ‘do to others what you wish for yourself’. This is the positive aspect of the practice of *Jen*. The negative aspect, *Shu*, is “Self-reflection”; is “empathy”, is “reciprocity” (Lippiello, 2016, p. 27). *Shu* is explained by Confucius as a negatively-phrased version of the “Golden Rule”(Jen): is “to not do to others what you would not wish done to yourself” (*Zhongyong*, 13) (Allinson, 1992; Feng & Bodde, 1983; Lippiello, 2016). Overall, the

principles of *Chung* and *Shu* provide “the ways to practise *Jen*”. Hence, the practice of *Jen* fosters consideration for others. *Chung* and *Shu* are the principles for people to meet and interact with others.

Li (*rites, propriety*), is one of the four “constant virtues” in Confucian teaching, along with *Chuang* and *Shu* (the fourth virtue is *Xin*, 信, wisdom). “Feelings of modesty and yielding are the beginning of propriety.” (Mencius, IIa, 6). *Li* is a wide concept that refers to decent and proper behaviour in society. Sometimes scholars call Confucianism “Li-sim’. Here, *Li*, for people’s relationships with others, is the principle that requires that a person respects and loves others according to their role and position in the hierarchical structure, and treats others with appropriate rituals (Cheng, 1986; Dong & Lee, 2007). A *Junzi* (a Gentleman, the archetype of Chinese people) must treat others with *li* and never attempt to offend, in order to maintain enduring relationships with others and to place oneself appropriately in social networks.

2.3.6 Conformity: an Others-oriented Culture

As discussed earlier, China is a society that is very conscious of social context and the reaction of others when in communication or contact. Chinese people’s lives rely upon the lives of others and the social group they belong to. In Redding’s survey (1977), that compares Western with Eastern societies, it was found that social needs are more important in Asia, and personal self-actualisation and autonomy are less important than in the West. “We-self” has overtaken “I-self” This is further supported by Hofstede’s survey (1980a) that indicated Asian and Western people are at the opposite ends of the continuum of individualism-collectivism. In collectivistic cultures, people carefully monitor their behaviour to fit in socially. To act according to the expectations of others follows the Confucian principle of *Li*, for the purpose of achieving harmony. People tend to behave the same as others to reduce the possibility of becoming different.

For people living in the same place for generations, and where their interactions are frequent, the values they share are very similar as are the mutual standards of their behaviour. In such collective societies, people tend to watch each other, and deviants would be considered starkly different. This would cause problems to deviants as they would not be considered a part of the “in-group”, and would be less likely to gain cooperation and receive support from their own family and the clan to which the family belonged. An extreme deviant, who puts the mutual values and social rituals of a family in disarray, would most likely be

seriously punished. The longer families and clans remain immobile in the same locality the more serious they are about keeping their local rituals. Thus group values take over individual values and “We-self” becomes more important than “I-self”. Hence, conformity is a naturally selected result; it was tested over generations until it became a law in Chinese social interaction. Conformity with others was not taught by Confucianism or other religions, rather it is a naturally chosen principle.

2.4 Social Norms: the Significance of the Social Group

“Traditions may provide reasons, incentives or capacities for particular types of behaviour” (Jenkins, 2002, p40).

2.4.1 The importance of relationship in China

Confucianism has guided and governed Chinese behaviour for two thousand years (Cheng, 1986; Gabrenya & Hwang, 1996; Hofstede, 2001). Confucianism is a human-centred philosophy, in that man is defined as a social or interactive being, and cannot exist alone: all actions must be in a form of interaction between man and man (S. Hu, 1996; Moore, 1967).

As discussed when introducing *Wu-lun*, Chinese society was formed through the theory of hierarchy from the very beginning, well before 200 BC. In the hierarchal structure, order is predominant. Everyone has their place in the system, within family, clan, and extending from where they lived to village or town. Everyone has a standing in society, which is clearly positioned by the hierarchical order, known by each person and expected by others in their social group. The whole order cannot be broken to make disorder. Besides, Confucian social theory is all about how to establish a harmonious secular order in the human-centred world (King, 1991).

‘*Jen*’ (benevolence), the highest attainment of moral cultivation, would be nothing if it were not placed in the context of the social relationships among men in China. “The original Confucian intention...is the moralization of the person in human relationships” (Tu, 1987, p. 71). Any deviation from a person’s group is considered a conspicuous intention of aloofness from the group one belongs to (Bourdieu, 2000) and has to live in. This aloofness will be perceived and denounced by other group members. Hence, a distinct intention to become different from others in a group is a risk for a Chinese person to take. In the light of such background, it is easier to understand that the formation of social concepts, including *Guan-*

xi, *renqing* and Face, all relate to group relationships. Ho (1995) uses the term *relationship dominance* to describe the essence of social behaviour in Confucian societies, in contrast to the Western individualistic pattern.

Trust among the group: In traditional Chinese communities people live together for many years and they become reliant upon each other within their social group. Interpersonal relationships in a social group become profound and reliable, and are somewhat like financial credit among Chinese people. In a solid, fixed social group, the highly important trust is even more reliant upon one's reputation than upon other factors, e.g. legal documents in China, compared to other cultures. People within a social group are more trusting of each other than they are of outsiders, because they know each other better. Consequently, in China, everyone has to cherish their own social image and reputation, since to lose it would be a very serious matter, and to repair their reputation could take a very long time (Redding, 1982).

2.4.2 In-group and out-group

Before I introduce *guanxi*, the Chinese social network, it is necessary to notice the distinction between in-group and out-group in Chinese society (Eberhard, 1971; Kwang, 1988). 'Distant and close relationships are one of the most basic assumptions underlying the Confucian notion of human nature' (H. c. Chang & Holt, 1991).

Chinese society is a collectivistic society with "high-context" culture. A high-context culture is one where routine communication relies highly on the same inferred context and same background of experience and expectation (Hall, 1976). Traditionally, Chinese grow up in specific social groups together with people with whom they have tight lifelong relationships. "In-group people" (one's "own people") includes family, clan and friends prescribed by residence and experience (educational period, working period, etc.), that separate them from "out-group" people (Chang & Holt, 1991). This distinction between "in-group" and "out-group" in China is more significant and important than it is in the West. The connections between Chinese form with "greater tensile strength" than mere friendship in the West achieves (Butterfield, 1982). In "low-context" cultures, people are more free to move and associate themselves with any group that they like. However, this is not so in China. Chinese interpersonal relationships are very tight, the interactions are frequent, and there is much trust within an in-group (Fei, 1992). The insecure and cold outside world is not of interest and concern to them (Bond, 1991; Eberhard, 1971). Chinese relationships are

considered to be both warm-hearted (in-group) and cold-blooded (out-group) (Chang & Holt, 1991). This Chinese in-group inter-personal relationship is called *guanxi*.

2.4.3 *Guanxi: Chinese interpersonal relationship*

Guanxi, literally means “connection” (*Guan*) and “netting” (*xi*) in Chinese. Although *guanxi* can be described as a Chinese version of ‘interpersonal relationship’, it is more complex and subtle than that, and has a rich meaning in China. *Guanxi* is not only about ‘interpersonal relationships’, if we consider interpersonal as involving only two persons, rather, *guanxi* is a “net of interpersonal relationships” in a social group.

Chinese people are interdependent and rely upon each other, and are very conscious of social context (Bond, 1996; Hall, 1976; Hofstede, 2001; Hofstede & Bond, 1988; Triandis, 1989). Due to the high importance of social relationships in China, the Chinese form of ‘interpersonal relationship’ is more subtle and complex. In an “in-group”, Chinese people have obligation to others and interact frequently. One may have more

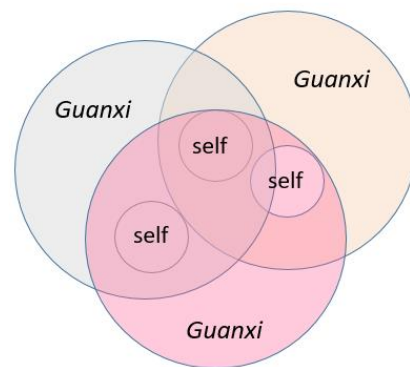


Figure 6: Self-centred *guanxi* Overlapped

than one “in-group” because of various connections, due to one’s experience and social context. These interpersonal relationships within groups weave personal, tight social networks (*guanxi*) centred by each person (see Figure 6) (For example, see studies of *guanxi* (King, 1991; M. M.-h. Yang, 1994). Also, the network of *guanxi* is like a web of social resources, in which *renqing* is the social capital in the cause of interpersonal transactions (Gabrenya & Hwang, 1996). *Renqing* will be discussed further, later in this thesis.

All Chinese people live in the *guanxi* web, as it is the basis or root of Chinese society. Even though China has undergone huge changes in the last century, the traditional concept of *guanxi* remains strong:

...whatever ‘isms’ or principles, whatever policies or program guidances, as soon as they touch this social web (Guan-xi), they lose their function immediately. (Liu, 1976 in King, 1991).

2.4.4 The obligation within in-group: how *guanxi* works

Because of the importance of the in-group in China, a person has strong obligations to the group. Even though Chinese people in one social group (in-group) have an obligation to that group, the obligation for everyone is not the same. Their obligation depends on the intensity and the distance of the relationships between people in their group. This contrasts with another Collectivist society, that of Japan. In the Japanese form of family system, family ethics and obligation are based on the collective group (members of a household), while Chinese obligation is on the relationship between particular individuals (Nakane, 1970). The obligations between people are various because of their relationship distance; and each type of relationship is governed by various rules. To make it clear, I will use an example to explain how it works in a *guanxi* network.

For example, a doctor wants to send his child to a school in another zone because of the school's high educational reputation. However, cross-zone schooling is not allowed because of regulation. The doctor attempts to find a solution. The first thing he does is not to consider the regulation; instead, he seeks to find a connection within his in-group (social group) to negotiate what he wants, e.g., to ask the school's principal for a favour. The way of making the deal with the principal depends on the type of relationship between the doctor and the principal, as well as his social distance to the principal (or in Chinese, the deeper or shallower the *guanxi* he has with the Principal). I list the possibilities of the doctor's and principal's *guanxi* and the consequent strategies:

- 1) Relative relationship (a): If the principal is a family member (brother, uncle, cousin, etc.), the child will normally be accepted by the school under the principal's permission. This favour will be done even without the principal's expectation of any favour in return. Family members are considered to have the obligation to help family members. The principle of reciprocity does not obligate family members (reciprocity, 'Shu' in Chinese, is the foundation of Confucian social ethics (M. Weber, 1964). It means mutual help is at least assumed to occur within an in-group with no question of exchange at all (Weakland, 1950).
- 2) Relative relationship (b): If the principal is a distant family member (e.g. 2nd or 3rd degree of relative, marriage-related relative, e.g., an uncle's son-in-law), the doctor will use this relationship to ask a favour from the principal. But as the value distribution works here, the doctor will follow the reciprocity principle and pay the principal a favour back sometime in the future.

3) Previous association: if the principal used to be a classmate or a colleague or military colleague (this is a very common relationship in the last four decades in China), the doctor will use this relationship and the principle of reciprocity also applies.

4) Through intermediaries of out-group members: If the principal is not in the doctor's in-group, the obligation to in-group will not occur. However, there is still a way to make it happen if there is a link between them. If the doctor has an in-group member who is also in the principal's social group, the intermediary can do the doctor a favour by asking a favour from the principal. By the reciprocity principle, the intermediary will pay the principal's favour back, and the doctor will owe the intermediary a favour. Also, if the doctor uses the intermediary's introduction as a stepping stone, and makes efforts to establish *guanxi* with the principal through further interactions, both can become in-group members. Especially this is the case if the doctor has obvious value that the principal will use in the future, such as asking for medical advice, or helping to get better treatment when the principal, or his in-group, goes to the doctor's hospital (in China hospitals are the places to visit the doctor and receive treatment). This is how a Chinese person knits his social network, using *guanxi* through the reciprocity principle.

This indicates that *guanxi* in China is also a kind of social resource. *guanxi* is a Chinese "personal network" with a "particular tie" (Jacobs, 1979), but is more complicated and richly meaningful (King, 1991). In the *guanxi* net, everyone is centred on their network, and everyone's *guanxi* network overlaps. The boundary of a person's *guanxi* net is flexible; and the depth of relationships between group members is reinforced and decreased through their interactions as well as being dependent on each other's value. Core family members have more obligations to other family members, and the greater the distance from one "in-group" member to another, the more likely it is for the reciprocity principle to apply.

The favour between the doctor and the principal, as well as with the intermediary, is *renqing*.

2.4.5 Private *guanxi* and business *guanxi*

King (1991) divides *guanxi* into two types: economic exchange (economic *guanxi*) and social exchange (social *guanxi*). His study hardly considered economic *guanxi* because it is dictated by impersonal market rationality (King, 1991, p. 75). But *renqing* plays a central role in social *guanxi*, and is ruled by the principle of reciprocity.

However, economic *guanxi* (King, 1991) is still a type of social *guanxi* because one has to socialise when one deals with business partners, and in Chinese society it cannot be isolated from *guanxi* impacts. Thus in my considerations I separate *guanxi* into the two sections of private *guanxi* and business *guanxi*. Private *guanxi* refers to the relationship between families and friends, and business *guanxi* refers to the relationship with colleagues and business partners who are connected by occupation (H. Gao, Ballantyne, & Knight, 2010). For private *guanxi*, *renqing* plays a more important role as participants aim to maintain relationships in the longer term. For business *guanxi*, however, *renqing* manipulates the exchanges of benefits among the *guanxi* network (for more details about business *guanxi* refer to (H. Gao et al., 2010; Geigenmüller, Gao, Knight, & Ballantyne, 2012).

2.4.6 *Renqing (favour; human obligation)*

If we see *guanxi* as a kind of social resource, *renqing* (or *jen-ch'ing* in Wade-Giles, 人情) can then be described as the social capital in interpersonal transactions. *Renqing* is fundamentally ruled by the principle of reciprocity (King, 1991).

Simply *renqing* can be interpreted as giving and asking for favours between people in one social group. Comparing it to relationships in Western societies, in China it helps to determine various relationship ties. Being able to ask a favour, and whether the giver is willing to offer the favour, depends upon the distance of relationship between the favour seekers and givers. As a sort of 'social negotiation of obligation', a *renqing* transaction is fundamentally ruled by the principle of reciprocity (*bao*, in Chinese) (K.-k. Hwang, 1987).

Reciprocity is a universal norm (Gouldner, 1960), but its nature varies across cultures. Among the basic three social interaction patterns of independence, dependence and interdependence, interdependence is the only one that implies a tight and constant social exchange (Cropanzano & Mitchell, 2005). China is a highly interdependent society, and reciprocity is strong and widely applied, providing both a norm and a cultural belief.

2.4.7 *The principle of reciprocity rules the renqing system*

Renqing represents the mutually negotiated and acknowledged currency of debt in regard to ownership and repayment. *Renqing* is an intangible phenomenon that operates invisibly between Chinese people.

Renqing is dynamic; the amount of *renqing* is measured by an unspoken process that Chinese learnt from experiences and observations from family and in-groups. If we describe *guanxi* metaphorically as a social web, *renqing* is then the value shifting between nodes of the web. The Chinese *renqing* transaction is like a ‘social negotiation of obligation’. In the example above, if the school’s principal did the doctor a favour by enrolling the doctor’s child into the school, and the doctor is not close family, the doctor then owes the principal *renqing*. Due to the principle of reciprocity, the doctor will pay a favour back in the future should the principal need a favour. The magnitude of the future favour will be similar in value or consequence to what the principal did. If the later favour is of less value than the one first given, then the doctor will still owe the principal *renqing*. He will repay the favour to the principal later to complete the *renqing* transaction. Normally, during their *renqing* exchanges, they would involve other members, e.g. other mutual friends or relatives, either because other favours are needed for someone else, or purely for building the *guanxi* network for future convenience. The exchanges of *renqing* are activated among the in-group members through social intercourses from time to time over a lifetime. It is hard to work it out—and Chinese do not want to work it out, because this is the way Chinese get along with each other (Fei, 1992). The body of *guanxi* network just grows, and the *renqing* exchanges occur constantly.

Giving and asking favour is not unique to China. Compared to other societies, however, it is mostly more important in China and it is ruled systematically. More importantly, it is the way Chinese interact with others in every aspect of their daily lives.

2.4.8 Face (*Mien-tzu, Lien*)

Among Chinese traditional cultural factors, ‘Face’ is the one that most directly relates to consumption.

The importance of Face in China

In China, Face represents one’s self to others in society. It provides a moral compass to guide and combine one’s behaviour, social status and character. Face in China has two Chinese names, *Mien-Tzu* (面子) and *Lien* (脸). Respectively they stand for general moral Face and social Face. As the most curious characteristic of Chinese social psychology, Face is abstract and intangible. It is the most delicate standard by which Chinese social intercourse is regulated. Apart from ‘favour’ and ‘fate’, Face is “one of the three immutable

laws of the Chinese universe” in respect to social life. It “is the hollow thing which men in China live by, that men fight for and that many women die for” (Lin, 1936, p. 200). Traditionally, Chinese cherish their Face until death. What Chinese strive do through their life is to protect and maintain their Face, and they work hard to enhance their Face for themselves and their family. “Bring glory on one’s ancestors and family” (*guangzong yaozu*, 光宗耀祖) is a common family motto to Chinese. This, in practice, is to enhance the family’s Face by achievement, such as educational achievement; to pass state exams to gain a scholar’s title and to be granted a position of a civil official. The desire of maintaining Face and enhancing Face has hence regulated Chinese behaviour intangibly and implicitly for over two thousand years (Zhai, 2004). As I stated previously, China is a society that is very conscious of social context (Hofstede, 2001). Face is therefore dynamic and flexible, and how much Face one has depends upon social situations and interactions (Lu, Yang, & Yang, 1956). Face can be “enhanced”, “maintained” and “decreased (lost)” in the process of interaction in a person’s social network (H. c. Chang & Holt, 1994; Ho, 1976; H. C. Hu, 1944).

There are many understandings of Face in the literature. For instance, according to these studies, Chinese Face is not only a “self-image delineated in terms of approved social attributes” (Goffman, 1955), nor merely “the dignity based on a correct relationship between a person and the collectivities (groups) to which one belongs” (Hofstede, 1984). Face is also related to ‘reputation’, and ‘prestige’ that is maintained by oneself and honoured by others through success or social position (A. K. K. Chan, Denton, & Tsang, 2003; H. C. Hu, 1944; Podoshen, Li, & Zhang, 2011). It also includes ‘social esteem’ according to others (M. C. Yang, 1945).

Ting-Toomey and Kurogi (1998) use blushing in public and feeling embarrassed to describe responses to Face-caused negative experiences. Such losing-Face involves shamefulness in public, and occurs in different cultures and societies. In addition, some studies consider Face to be related to ‘dignity’ and honour. Face is not a unique Chinese concept, and there are many studies on understanding Chinese Face through non-Chinese eyes. Understanding Chinese Face as a universal concept of Face can cause some misunderstandings. For instance, it will not be possible to accurately explain Chinese consumers’ behaviour caused by Face in China. Chinese Face includes, but is not limited to, the “Faces” described above, and tends to be more salient and complicated in Chinese than in other societies (Ho, 1976).

This situation requires a general survey of relevant studies. I will differentiate Chinese Face from other related concepts in Chapter Three.

CHAPTER THREE: LITERATURE OF FACE STUDIES

Generally, Face is the image of the social self (P. Brown & Levinson, 1987; K.-K. Hwang, 1989). The desire for a better social self-image exists in all societies. Arising from Darwin's theory of evolution and studies in sociology, competition for social rank is partly genetic because a higher social status enhances an individual's chances for survival and reproduction (Allport, 1961; Coelho & McClure, 1993). The desire for consumption of symbols in order to signify social status is owing to social influence, however, that influence differs culturally in both geographic lateral hemispheres. The laws of Face in China differ from the laws of social influence in the West due to culture. Since a consumption phenomenon is emerging in China, when China has become one of the biggest economies and a consumer society (H. Duncan & Martosko, 2014), the Face influence on consumption deserves better understanding.

3.1 Literature Review of Face (1930 – 2015)

The general definition of Face is presently vague. It has both overlapping as well as divergent meanings amongst both Chinese and Western authors. In order to structure our understanding, I reviewed the publications related to Face over the last century. I found extremely few publications dealing with the Face construct up until the 1930s. After the 1930s I found 185 publications involving the concept of Face especially in writings on Chinese culture. These 185 sources include some work of early influential scholars, to which I gave particular attention, including Hu Shih (胡适, a well-known Chinese philosopher, essayist and diplomat, a key contributor to Chinese liberalism and language reform) and Luxun (鲁迅, a leading figure of modern Chinese literature). Among these 185 publications, there are 80 publications that strongly relate to Face, rather than just mentioning Face without much discussion (the list of these 185 sources refer to Appendix 1).

Some of these 80 publications are in Chinese, and some of these are rarely cited. To focus on the main stream of Face study, I then selected 30 influential publications (those cited >100 times, according to Google Scholar) for further examination.

In Table 1, I classify these 30 articles and books into three domains and summarise their academic contributions. The first field covers the sociological perspective. Studies here often provide some basic understanding of Chinese Face and its evolution. The second field

not only includes Chinese Face but acknowledges its existence in other cultures and as a means of understanding human interaction. Studies in this domain focus on: how Face influences interaction, how Face as self-image is conceptualised to protect one's ego or avoid conflict, as well as its application in negotiation and conflict resolution, even in diplomatic relationships. The third field refers to the consumption patterns engaging Face. The review also shows that half of these works either explore Face from a Chinese perspective, or involve China in cross-cultural studies, both of which address the salience of Face in China.

Moreover, only two of the 30 works discuss the influence of Face on consumption in Asia and China (see Table 2). These numbers show, on one hand, that there is growing interest in Face due to China's rise on the world stage. On the other, it may falsely indicate that (a) we understand Chinese Consumption Face, or (b) globalization means a growing convergence of consumption values and patterns. Our discussion will show that the multifaceted nature of Face can cause some confusion and hence mask a need for attention to the distinct influence of Face on consumption that I seek to isolate and test here.

Table 1: Review of Influential Studies on Face

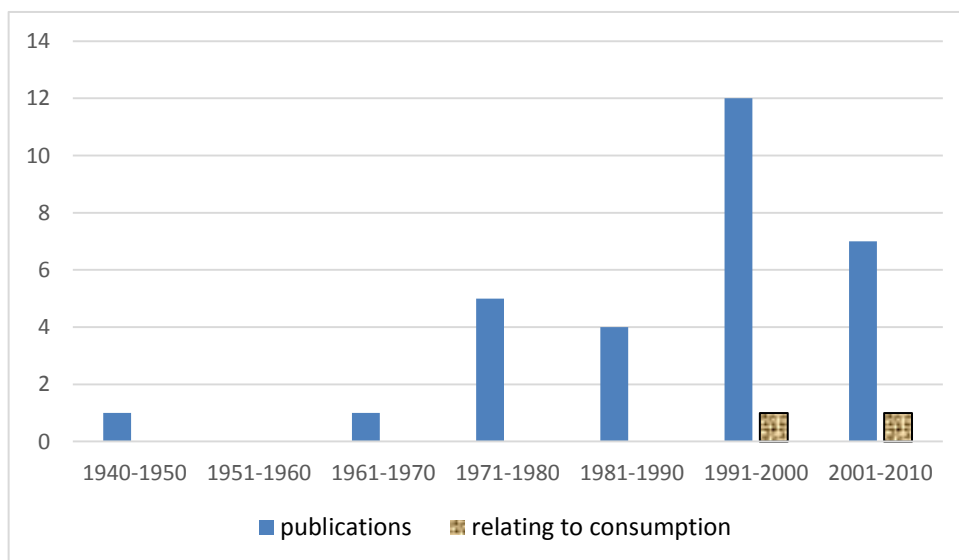
Domain	Context	Authors	Points to Understanding Face
Sociology /social psychology	Chinese social behaviour regarding Face	K Hwang, 1987; Hu, 1944; Ho, 1976; MH Bond 1993; MH Bond, P Lee, 1978; HC Chang, GR Holt, 1994	<ul style="list-style-type: none"> ●'Face work' refers to 'projection of self-image and impression management'. ●Face in China stands for the social Face of a big group. ●Two concepts of Face in China: <i>lien</i> (moral orientation) and <i>mien-tzu</i> (social orientation) ●<i>Lien</i>: the confidence of society in the moral character of ego. Lien is something to which everyone is entitled to by virtue of his/her membership in society. ●<i>Mien-tzu</i>: refers to reputation acquired in life through success and ostentation. It depends on social interaction and varies according to context. ●In China, man exists in and through relationships with others. Family centred <i>guanxi</i> (social network), <i>renqing</i> (debt) and Face are 3 socio-cultural factors that bind together and must be understood as a whole.
	Face and behaviour	Goffman 1967; J Brockner, JZ Rubin, E Lang, 1981	<ul style="list-style-type: none"> ●Face is the positive social value a person claims for him/herself in the self-presentation in particular contacts. ●Facework is the intention and strategy to avoid and defend one's own Face and avoid Face being threatened. ● A person tends to conduct himself during the encounter so as to maintain both his own Face and other participants' Face. ●Face concern relates positively to social anxiety. ●The Face concept originated in China.

Domain	Context	Authors	Points to Understanding Face
	Cross-cultural organisational behaviour	SG Redding & M Ng 1983; PC Earley, 1997	<ul style="list-style-type: none"> ● Face and Face related values are emphasised more in static societies than in mobile ones. ● Face is the individual's assessment of how others close to him see him/her. ● Among overseas Chinese workers, Face highly influences success in daily business transactions and negotiations. ● Hierarchical perceptions of the social order influence Face transactions in organisations. ● the power of Face, as an explanatory variable in understanding organisational functioning in the East is higher than in the West.
Communication	Verbal interaction (development of Politeness Theory)	Brown & Levinson, 1978; OG Nwoye, 1992; M Yu, 2003; GH Lerner, 1996; F Bargiela-Chiappini, 2003; Arundale, 2006	<ul style="list-style-type: none"> ● Face is the public self-image that every member wants to claim for himself. ● Face consists of two desires: desire to be approved of by others (positive face) and the desire for autonomy without consideration of others and claim to territories (negative face). ● Face is perceived and manifested variously in various cultures. ● the classification of “Positive face” and “negative face” is unsuitable in collectivistic societies where the group is stressed above the individual, as politeness in interaction is not only instrumental but also normative. ● Face is relational and interactional rather than an individual phenomenon, in that the social self is interactional and achieved in relationships with others.
	Communicative behaviour in conflict situations (development of Face Negotiation Theory)	S Ting-Toomey: 1988, 1991(with Gao, Trubisky, Yang, Sung, Lin & Nishida), 1994, 1994 (with Cocroft), 1998 (with Kurogi), 2001(with Oetzel, Masumoto, Yokochi, Pan, Takai, & Wilcox), 2003 (with Oetzel)	<ul style="list-style-type: none"> ● 'Face' refers to a claimed sense of favourable social self that a person wants others to have of her or him. Face matters in conflict behaviour and resolution. ● Facework is the negotiation process between two people and more: it's a set of communicative behaviours that people use to regulate their social dignity and to support or challenge the other's social dignity. ● Facework and related conflict negotiation and strategies differ in various cultures (collectivism-individualism; low-context-high-context). ● Others' Face maintenance predominates self-

Domain	Context	Authors	Points to Understanding Face
		2005	Face in collectivistic countries while both self- and other-Face maintenance are prevalent in individualistic cultures.
	Face-saving and face-restoration in negotiation	BR Brown, 1970; 1977	<ul style="list-style-type: none"> ●The reasons for Face-maintenance behaviour and strategies in negotiation. Both Face-saving and -restoration aiming to avoid conflicts and embarrassments originate from the desire of subjects to protect their public image.
	Conflict Resolution in Chinese society	Hwang, 1997	<ul style="list-style-type: none"> ●Morality (basis of moral Face <i>Lien</i>) and performance (basis of social Face: <i>mien-tzu</i>) are two independent dimensions for evaluating one's Face. ●Chinese maintain others' Face in interaction for the principle of harmony, even "superficial harmony" so as to manage conflicts. ●One's Face represents one's group's Face taken for granted by outsiders. So everyone cares about the "great self" for the group.
	Political science - the relationship between China and USA	J Mann, 1999	<ul style="list-style-type: none"> ●Face concern influences diplomatic relationships implicitly.
Consumption	Luxury consumption in Asia	NY Wong & AC Ahuvia, 1998	<ul style="list-style-type: none"> ●Face plays an important role in Southeast Asian luxury consumption. ●The dimension of Face pertinent to material values is social Face. ●In Asia, conformation with social norm is above private "true" self in terms of consumption. ●The display of wealth in public is mainly caused by social pressure to maintain Face rather by personal inner value in the East. ●The Face one enhances through public visible possessions is not only for individuals but also for one's family and in-groups in Asian cultures.

Domain	Context	Authors	Points to Understanding Face
	Luxury consumption and consumers' decision - making style in China	Y Bao, KZ Zhou & C Su, 2003	<ul style="list-style-type: none"> ●Define Face consciousness: that people desire to enhance, maintain, or avoid losing Face in relation to significant others in social activities. ●Chinese people have strong Face consciousness which relates consumption to a strong social connotation. ●High Face consciousness makes Chinese more likely to consume luxury products as a symbolic social gesture than as an expression of their internal selves.

Table 2: The Influential Publications of Face



3.2 The Confusion of Face and the Multifaceted Nature of Face

The traditional term 'Face' as an emic phenomenon is complex and profound because it has been endowed with much meaning as it evolved in its long history. Hence in many studies, the focus tends to be blurred and its scope is only partial, because many studies discuss different aspects but all under the general name of Face. Furthermore, when I review specifically Face studies that influence consumption, there are very few that can be found, as most of them focus on interpersonal behaviour including communication and conflict (see Table 1). This might be because, even though Face is a traditional Chinese concept, the

modern consumption phenomenon began to emerge in China only since the 1980s, after the Chinese Open-door policy and the Economic Reform. I therefore need to provide context to differentiate which aspects of Face impact consumption and why, as only the wider context permits a structural evaluation that helps bridge the emic/etic divide. I here distinguish these Face studies according to content rather than according to disciplinary origin (see Table 1). I give them temporary names so as to facilitate a discussion later on of what aspect of Face is covered by Western and cross-cultural researchers, and which emic aspect of Face operates in which situation.

3.3 Interaction Face

The fifteen studies among the thirty referred to above take ‘Face’ as a tool in direct interaction and negotiation activities, which, for the purpose of this study, and to distinguish it from ‘Consumption Face’, I here call ‘Interaction Face’. ‘Interaction Face’ can be divided into three research streams, named here as (1) ‘working Face’, following Goffman (1955), (2) ‘polite Face’, following Brown and Levinson’s studies (1987), and (3) ‘negotiation Face’ according to Ting-Toomey’s focus (1988).

3.3.1 Working Face

Under the overall heading of ‘Interaction Face’, I derive the notion of ‘working Face’ from Goffman’s study of “Face” and “Face-work” in the interactional ritual field. Goffman gives Face a general definition as “the positive social value a person effectively claims for himself by the line (i.e. the pattern of acts) others assume he has taken during a particular contact” (Goffman, 1967, p. 5). “Face-work” denotes the actions one pursues to be consistent with Face (Goffman, 1955). Goffman’s Face concept emphasises the “mutual lines” that all participants accept and respond to in encounters. Face and Face work then designate intention and strategy to defend one’s Face as well as protect others’ Face from being threatened.

3.3.2 Politeness Face

Goffman’s work has later been extended by Brown and Levinson in their “politeness” behaviour study (1987). They widened the definition of Face to “the public self-image that every member wants to claim for himself” (P. Brown & Levinson, 1987, p. 61) involving both Goffman’s (1955) observed ‘effective’ image as well as the subjectively felt image.

They further divide Face into positive and negative Face: (a) the desire to be approved of by others (positive face) and (b), the desires for autonomy without consideration of others and claims to territories (negative face).

3.3.3 Negotiation Face

In a further extension, Ting-Toomey develops the Face negotiation theory (1988, 1998). This ‘negotiation face’ refers to the favourable social self that each actor claims for him/herself, and that type of Face which matters in conflict situations and resolution.

3.3.4 Discussion

‘Interaction Face’ studies (including all three streams above) are mainly in the field of interpersonal communication, and particularly refer to verbal behaviour in interactions (encounters). Face here refers to the customary process of developing a mutual sense of respect, impinging on conduct, which Goffman calls “lip service” (1967, p11). Accordingly, Face is used to preserve the interactors’ self-esteem to achieve better results in interactions. This is often done by minimising oneself (modesty) and by maximising the others’ ego to psychologically satisfy either one’s own or the others’ actualisation of ego. Goffman’s ‘working Face’ is created temporarily during encounters, and is dynamic, according to the interactors’ responses. His conceptualisation and extensions are widely utilized in conflict management for negotiations (e.g. in international business with Chinese firms) and for managing international political and diplomatic relationships. However, this ‘Face’ does not involve consumption. For example, the understanding of this ‘Interaction Face’ cannot adequately explain why Chinese have concerns about Face when dealing with (a) service (H. Chan et al., 2009), (b) purchase intentions of green hotel brands (Wan & Poon, 2014); (c) decision making styles (Bao et al., 2003; Xue & Wang, 2012); (d) consumers’ attitude to brand and brand country origin (Liao & Wang, 2009; Z. Shi et al., 2011; Z. Shi et al., 2012); or (e) perceptions of luxury goods (Monkhouse et al., 2012). ‘Interaction Face’ is certainly an aspect of Chinese Face, but does not cover the entire Face concept, and does not involve consumption.

There are few studies that focus on the influence of Face on consumption (only two relatively recent papers are cited more than 100 times among all Face studies in the previous century that I could find: the works by N. Wong, Y. and Ahuvia (1998) and by Bao et al. (2003). That might be because the modern consumption phenomenon is very new. I

therefore need to provide context to differentiate which aspects of Face impact consumption, and why, as only the wider context permits a structural evaluation that helps us bridge the emic/etic divide. I then summarise these relationships between aspects of Face in a matrix.

3.4 Review of Different Aspects of Chinese Face: a Chinese Face Matrix

“Everyone needs a Face to survive like a tree needs its bark.” - A Chinese traditional saying

To recap: Face is involved in every facet of Chinese life and drives behaviour implicitly. The demand for Face is not just part of Chinese life, but the way Chinese live (Lin, 1936; Lu, Yang and Yang 1956). In China, besides being a means of interpersonal interaction (Interaction Face), Face also presents the image of one’s social self (social Face, *Mien-tzu*) through means of displaying success; as well as referring to one’s “moral self” (moral Face, *Lien*) that, as internalised moral orientation and sanctions, governs the self with or without any social groups involved (Hu, 1944). Also, there is another instrumental type of social Face which is attached to *renqing*. In Chinese networks (*guanxi*), *renqing* refers to negotiated obligations that are used as a currency between people, and *renqing* Face is generated, maintained, and exchanged in the process of interpersonal transactions (see Table 3 on page 56).

3.4.1 Moral Face

Literally, ‘Face’ in Chinese has two names and each implies a different meaning. One is *lian* (*lian* in *Hanyu pinyin*, 脸), which represents “moral Face”. *Lien* relates to the individual’s inner discipline, internalised moral orientation and sanctions. Hofstede (1984, p. 89) addresses the tight connection between Chinese individuals and their social groups, “Face ... indicates the dignity based on a correct relationship between a person and the collectivities to which one belongs”. Studies concerning ‘honour’, ‘dignity’, ‘reputation’ and ‘social esteem’ (Hofstede, 1984; H. C. Hu, 1944; Leung & Chan, 2001; M. C. Yang, 1945) refer to moral Face. In some cases, moral Face is like shame and guilt in the West but less differentiated (Y. Wong & Tsai, 2007).

To distinguish this moral Face from other components of Chinese Face, and portray its relationship with all other components of Face, I construct a Face Matrix and locate moral Face with its dimension of moral attributes (see Table 3 on page 56).

3.4.2 Social Face

Another name for Face in Chinese is *Mien-tzu* (*mianzi* in *Hanyu pinyin*, 面子), which represents “social Face”. “Interaction Face”, which I named in the earlier section refers mainly to those three streams mentioned (“Face-work” by Goffman; “politeness face” by Brown and Levinson, negotiation Face by Ting-Toomey). It has a social attribute, which emphasises others’ Face and the mutual Face, while *Mien-tzu* relates more to the social Face attributed to an individual and the group the individual belongs to, and represents. *Mien-tzu* relates to the externalised social image through means of displaying success in social contexts (Ho, 1976; H. C. Hu, 1944). To have a ‘social Face’ is to receive psychological satisfaction from others, through being given honour, prestige, praise, flattery, or concessions. This intangible “social Face” (*Mien-tzu*) is predicated on the recognition of one’s tangible accomplishments that represent one’s successes or superiority in society, such as wealth, political power or high scholarly accomplishment (K.-K. Hwang, 1989; King & Myers, 1977; M. C. Yang, 1945). Studies concerning ‘reputation’, ‘prestige’, ‘self-image’ and social presentation (Goffman, 1955; Podoshen et al., 2011; N. Zhou & Belk, 2004) refer more to this kind of Chinese social Face or *Mien-tzu*. Hence, the Chinese consume two aspects of Face under a dimension of “Face as a social attribute” (see Table 3 on page 56).

3.4.3 The *renqing* Face

There is another instrumental type of social Face which is attached to *renqing*. As I discussed earlier in social norms section 2.4.6, *renqing* refers to negotiated obligations that are used as a currency between people, and is generated in the process of interpersonal transactions. Chinese society is a collectivistic society with a “high-context” culture, in which people are interdependent, rely upon each other, and are very conscious of social context (Hall, 1976; Hofstede, 2001; Hofstede & Bond, 1988; Triandis, 1989). These subtle and complex interpersonal relationships within social groups weave tight social networks (*guanxi*) centred on each person. As a sort of ‘social negotiation of obligation’, a *renqing* transaction is fundamentally ruled by the principle of reciprocity (*bao*, in Chinese) and

which maintains a long-term social intercourse between people who are within the same network.

This *renqing* Face is about social interactions. However, unlike *Mien-tzu* (social Face) which is more about the individual, *renqing* Face is interactional, in that it occurs between two (or more) parties within a social network (*guanxi*). The actualisation of one's *renqing* Face is through the interactions between participants involved. Thus in the Face Matrix I put *renqing* Face under the social attribute column but independently of social Face (*Mien-tzu*) (see Table 3 on page 56).

3.4.4 Self-centred Face vs Other-centred Face

Face can be also categorised into “self-centred Face” and “other-centred Face”. Within the dimension of social orientation, *renqing* Face and Interaction Face have something in common: both are given for benefits in return, sooner or later, and both have highly-involved participants: i.e. the *renqing* transaction parties and communicators. This “Face giving” type of Face can be categorised as “other-centred Face”. In contrast, both moral Face (*Lien*) and social Face (*Mien-tzu*) are the Face that one intends to receive and even *gain* by impressing others. This “gaining Face” by individuals can be categorised as “self-centred Face” (see Table 3 on page 56).

3.4.5 Consumption Face and its Increasing Importance to Social Face

The demand for Face is everywhere in China. The demand for Face is a means in people's daily social intercourse (*renqing* Face), in individuals' self-discipline and dignity (moral Face), as well as the self-actualisation in all aspects of life (social Face). When China has rapidly become a consumer society, the Face that is maintained and enhanced by consumption is on the rise (P. Smith, 2011; Tse et al., 1989; N. Wong, Y. & Ahuvia, 1998; C. Yu & Bastin, 2010). However, what exactly this type of Face influencing consumption is, and how the mechanism works, is vague. 85% of brand managers in a Mckinsey's report claim that they feel it is hard to understand Chinese consumers (Ian St-Maurice, Sussmuth-Dyckerhoff, & Tsai, 2008). Understanding Face-caused demand is a key to understanding Chinese behaviour (A. H. Smith, 1894, p. 16). To make it clearly different from other aspects of Face I have already discussed, I name this specific Face “Consumption Face” and position it under the social Face domain in the matrix (see 2nd column of Table 3 on page 56). I will further discuss this Consumption Face in the conceptualisation section.

3.4.6 Two Patterns of Consumption Specifically Concerning renqing Face

There are another two very common consumption patterns existing in Chinese markets because of the demand for Face. Yet they are not in the Consumption Face realm: dinner parties and gift-giving (also see Li and Su's study of "face consumption", 2007). These two typical consumption patterns are a means for giving and receiving Face during interpersonal *renqing* transactions. The dinner party and the gifts are consumption rituals that materialise *renqing* Face. These types of consumption are not for an individual's ego inflation through impressing others. Hence, they are not the consumption caused by Consumption Face that I define in this study. These two patterns are rooted in relationships with group members in this group-oriented collectivistic Chinese society, as a traditional ritual of building and maintaining relationships in Chinese daily life (J. J. Li & Su, 2007; S.-X. Liu, Lu, Liang, & Wei, 2010). Therefore in the Face matrix, they are not located under the domain of Consumption Face, but as "Face consumption for *renqing*" separately within the *renqing* Face domain (see Table 3 on next page).

Table 3: The Matrix of Chinese Face Concept

Face		As Moral attribute	As Social attribute
Self image (one gains from others)		<p>Moral Face (<i>Lien</i>) Individual's inner discipline and internalised moral orientation and sanction. Moral Face also involves the image of the group one belongs to. Moral Face is maintained/enhanced/ lost by one's practice. Related concepts: honour, dignity, social esteem</p>	<p>Social Face (<i>mien-tzu</i>) One's image of social self, that everyone claims for himself by impressing others through signalling success. Social Face is maintained/enhanced/ lost by one's behaviour and presentation (appearance and properties). Related concepts: reputation, respect, privilege, prestige, self-image</p>
			<p>Consumption Face A claimed sense that is maintained and enhanced through consumption to signal social status and wealth in social contexts. It comprises 3 traits: Conformity; Social Group-distinctiveness; Conspicuousness</p>
Other-oriented respect (one gives in interaction)	As a tool in social groups (long term)		<p>Face consumption for social obligation and favour (<i>renqing</i>): Par. dinner parties and gift-giving, during the <i>renqing</i> interactions Face is transmitted between participants.</p> <p>Renqing Face: Attaches to <i>renqing</i> transaction in social relationship networks (<i>guanxi</i>), transmits between participants. <i>Renqing</i> Face given and lost due to acts of reciprocity.</p>
	As tool in Interaction (short term)		<p>Interaction Face Including Polite Face /Negotiation Face. In interaction, as a means to maintain or increase participants' self-esteem (individual ego) for better communication results or negotiation goals. Related concepts: Business negotiation, conflict management</p>

The demand for Face is everywhere in China. The demand for Face is a tool in Chinese people's daily social intercourse (*renqing* Face), in individuals' self-discipline and dignity (moral Face), as well as for self-actualisation in all aspects of life (social Face). When China quickly became a consumer society, the desire for Face maintained and enhanced by consumption rose (P. Smith, 2011; Tse et al., 1989; N. Wong, Y. & Ahuvia, 1998; C. Yu & Bastin, 2010).

CHAPTER FOUR: CONSUMPTION IN MODERN CHINA: THE HISTORICAL CHANGES AND THE RISE OF CONSUMER CULTURE

This chapter introduces the significant historical changes, mainly those that occurred after the establishment of People's Republic of China (PRC), that impacted on Chinese ideology and social behaviour. This is followed by discussion of modern consumption patterns and their direct causes, especially those related to the Economic Reforms and the Open Door policy implemented in 1978. This review is intended to show how modern consumption patterns in China were formed and to identify what factors, i.e., environment, government policy and people's personal desires, influenced these patterns. Attention is particularly given to the practical and sophisticated traditional ideologies (derived from Confucianism, Taoism and Buddhism), which are centred in the nature of conformity, that helped Chinese pass smoothly through all the dramatic changes and suffering they experienced during the early 20th Century. Attention is also given particularly to the new ways people interact and live in their social groups. The key purpose of this chapter is to explain, through introduction and discussion, the background of the formation of Consumption Face and the direct and the indirect influences on this formation.

Due to limited research in or about China in areas relevant to the thesis, e.g. sociology and consumer behaviour, especially in the early years after the establishment of PRC, literature reviews and supporting documents relevant to the topic are difficult to find. In particular, during the Cultural Revolution period from 1966 – 1976 and the following years of recovery, academic activity in China was halted or lacking. In particular there is little relevant research published in international journals and books readily accessible to international readers, and those written in Chinese (Mandarin) are not easily understood by those not fluent in the written language. Additionally, some relevant research and information is lacking because of political sensitivity especially during the Great Leap Forward campaign in the 1950s and the Cultural Revolution in 1960s-1970s. I will review documents that are available from different sources with the aim of outlining a comprehensive picture. However, there may be some areas of importance for consideration that have insufficient supporting information.

4.1 Overview of the Historic Change

The establishment of the People's Republic of China in 1949 brought China to a new stage in the world. It initiated radical changes to the ancient traditional life of China to establish a very different society. This ancient nation had largely cut itself off from the outside world for centuries, and retained its own cultural identity, including Chinese traditions and norms. The Communist party, led by Mao Zedong who established the People's Republic of China, brought the modern societal system of Marxism-Leninism into China to establish a socialist country.

This thesis does not intend to review much of the history of China before the establishment of the PRC in 1949. However it is relevant to note briefly that there were other great historical changes and upheavals in the 19th and 20th centuries before the establishment of the PRC. For instance, the contacts with Europeans in the 19th century through two Sino-British Opium wars, the Westernization movement by the Qing dynasty in the 1860s, and the Boxer Rebellion (*Yihetuan*) of 1898 – 1900 followed by the Republican Revolution in 1911. The May Fourth Movement followed, aimed at imitating Western “Democracy” and “Science”, and then there was a return to the Old Emperor-led Qing dynasty Chinese government in 1919. Japan's invasion of China from 1938 to 1945 prompted the Resistance War involving the cooperation of The Nationalist Party (KMT: Kuomintang) and the Chinese Communist Party (founded in 1921). Defeat of the Japanese was followed by the war between the Nationalist Party and the CCP from 1945 – 1948. The chaos caused by these events resulted in almost continuously difficult times for China over a long period (Duara, 1995; Fairbank, 1978).

However, as the focus of this thesis is on the influence of Consumption Face on consumption behaviour, a review of the modern history of China is useful to understand the evolution of the cultural environment of China and the behaviour of Chinese today. The political and societal incidents and movements of the 19th and early 20th century did not essentially change inherent Chinese traditions and influence their social values and norms. They did not markedly influence the behaviour pattern of the Chinese masses. Even the “anti-tradition, anti-Confucianism” New Cultural Movement (also referred to as the May Fourth Movement) started in 1915 and led by Chen Duxiu, involved only academics and some educated urban youth (Glosser, 2003) and did not extend to the masses. Such “Chinese Enlightenment” movements had some radical historic significance, but did not

truly change Chinese culture (Cohen, 1991; Schwarcz, 1986; Zheng, 2001). My review focuses only on the most influential elements of changes after the establishment of the People's Republic of China as these changes have the most direct impacts on present day China.

With the establishment of the PRC in 1949, an assertive nationalism was evoked as well as implementing socialist ideology. This largely led to the exclusion of a Western presence in China including culture and products. Establishment of the Sino-Soviet alliance brought further isolation from the West (Hooper, 2000). Anything Western was treated as “capitalist”, “bourgeois”, and representative of the “imperialist world”. The establishment of socialism, while excluding Western imperialistic presence, also undermined some traditional Chinese values such as *Wulun* (the five Cardinal Relationships, see section 2.3.1) and traditions (G. Wang, 2005; Xi & Yu, 2005). The exclusive and purified teaching and implementation of Communism reached a peak during the Korean War (1950 – 1953) when “the vestiges of the Western economic and cultural presence were almost eradicated” (Hooper, 2000, p. 442), and again at the height of the Cultural Revolution in 1966 – 1976. Similar to the current situation in North Korea, “the whole country was absolutely hermetically sealed” (London, 1996 in Hooper, 2000, p. 442).

The state government wanted China to become a socialist country quickly and efficiently. They forced socialist values to replace the traditional values (e.g. the Great Leap Forward during 1958 – 62 (Peng, 1987)). Afterwards, the Cultural Revolution from 1966 to 1976 was initially set into action by Mao Zedong and operated to replace traditional hierarchies and practices. Maoism, developed from Mao Zedong's implementation of Marxism, was sometimes misunderstood and at times inappropriately applied.

After this period of extreme implementation of communism in China, Economic Reform of the nation was begun in 1978, and with the Open Door Policy allowed more ready entry of foreigners, and particularly their economic, financial, marketing and consumer methods, into China. That was a significant change, because the Economic Reform and Open Door policies inclined towards the approach of capitalism, even though it was commonly named “Market socialism”. This was generally contrary to the socialism previously espoused by the Chinese Communist Party.

These changes, primarily directed to market reform, also began to influence social ideology. More quickly than expected, Western values, including materialism and individualism came

along with the marked increase in importation of goods and technologies into China. This not only enriched and impacted on people's material lives, but also on their moral and spiritual lives. China had changed sharply from a "Marxist socialist" to a "Market socialist" country (Tse et al., 1989).

4.2 The Road to a Socialist Country (1949 – 1966)

4.2.1 Introduction

The Chinese government, led by the Chinese Communist Party with Chairman Mao Zedong as head, firmly applied Marxist-Leninist principles aiming to establish a socialist country. Under this approach, the distinction between classes was smashed by suppressing the exploiting class (i.e. the capitalist, the landowners, etc.) The working class, which constituted most of the Chinese people, was also called the owners of China (Dirlik, 2005; Jaeyoun, 2005; Ngai & Chan, 2004). It was the belief that the importance of the work-unit (*danwei*) reinforced the power of groups and increased group influence.

4.2.2 The Consequence: the influence of Social Group and Societal Conformity was strengthened

4.2.2.1 The importance of the work-unit (danwei) reinforces the power of groups and increases the group influence

The aim of the new People's Republic of China followed the Communist Party of the Soviet Union. It was to become a classless social system, with common ownership of the means of production that belonged to all people, who had full social equality (the 1986 programme of the CPSU). Farmland in China was to become communal, and no farms owned by individuals or families were allowed. In the 1950s, for the objective of increasing agricultural output to feed and clothe an increasing population, China started to develop work groups. The size of rural work groups changed over time, but the form of working in a group with shared instruments and equalisation remained intact.

For industrial enterprises, factories were broken down into small groups, to form the stable unit and mechanism of working communities. These workplaces were named "*danwei*" (Nevis, 1982). *Danwei* not only provided work for a person, but also looked after their family including housing, children's education and medical care. It was the institution through which the population was housed, organised, regulated, policed, educated, trained,

protected and surveyed (Bray, 2005). A *danwei* may be likened to a community forming a stable work-unit with the people becoming strongly group oriented (Nevis, 1983). The *danwei* provided the members with a strong feeling of belonging. Also the organisation pattern of *danwei* brands the population identity, as well as the distinction between *danwei* (Bray, 2005). The name of *danwei* was derived from Japan and was of military origin. The *danwei*, the factories, stores and other organisations were often numbered rather than being given names (Cohen, 1991). The enumeration of identifying *danwei* also reflected their collectivistic significance.

4.2.2.2 Utmost loyalty to the country reinforces conformity to society

In Mao's time, from the establishment of the PRC till the late 1970s, emphasis on national unity and loyalty to the country was of utmost importance, and superseded the integrity of the individual (Nevis, 1982; S. Zhao, 1998). The single-party state, governed by the Chinese Communist Party, restrained deviants and strengthened the authority of the government. This derived from the ultimate goal of Communism: of common ownership by all the people (Engels & Sweezy, 1952). In the light of the principle of Communism (the word Communism derived from Latin *communis*, "common, universal"), the shared mutual collectivistic goals are held to be more important than the goals of individuals. In comparison, in the United States of America, equality of opportunity is stressed, whereas during Mao's era, Chinese were required to focus on equality in the sharing of output. "The Chinese concept of self-actualization is defined in terms of one's service to the community" (Nevis, 1982). The nature of inherent group-orientation, combined with the Communist goals, reinforces conformity to society.

4.3 The Cultural Revolution and its Influence on Social Behaviour

4.3.1 Introduction

The Cultural Revolution was a social-political movement in China from 1966 to 1976. This movement was promoted in the name of purifying Communist ideology by purging capitalist and traditional elements from Chinese society, and by so doing re-imposing Maoist thought as the dominant ideology within the Communist Party. However, this movement was implemented inappropriately when it was applied to the whole nation, including the military, urban workers, academics, and Communist Party leadership itself. Local forces acted according to their own definitions or understanding of the movement and

many of them ended up inflicting violence on people who they considered did not conform to the ideology (Spence, 1999). Because of conflicts in the Communist Party, the “Gang of Four” gained prominence and controlled power, and the movement became disordered and out of control. Mao Zedong expected the movement to purify the Chinese Communist Party and to be completed by 1969, but it extended years beyond this date.

To accelerate this “revolutionary struggle”, schools were closed in 1968 (X. Zhou & Hou, 1999). Many of the students became “Red Guards—the front line of the new revolutionary upheaval”. In response to the call from the Central Committee of the Communist Party of China (CPC), the “Red Guards” gathered and organised the destruction of the “Four Old Things”—old customs, old habits, old culture, and old ideas (破四旧) because these “Old Things” were described as anti-proletarian (Lu, 2004; Rosen, 2004). Many historical relics and artefacts were destroyed and cultural and religious sites were ransacked (Spence, 1999). Sometimes factories stopped manufacturing. Seventeen million young urban “educated youths” (*zhishiqingnian*) (mostly those who had finished only junior or senior high school), many of whom had previously been Red Guards, were “sent down” into rural regions to be trained by the peasants, so as to eliminate the differences between classes (X. Zhou & Hou, 1999). This retraining activity lasted even longer than the Cultural Revolution and it was only officially stopped in 1981 (C. Tong & Guo, 1998).

The progressive development of the PRC stagnated during the Cultural Revolution and it took a long time after the revolutionary upheaval to recover. During the ten most dramatic and unstable years, many people experienced very hard times, both mentally and physically. The lost opportunities and unexpectedly difficult living conditions had a significant effect on their future lives. After Mao’s death in 1976, his successor arrested the four remaining leaders, the “Gang of Four”, and this is considered to mark the end of the Cultural Revolution.

In 1977, Deng Xiaoping reinstated examinations for entrance into universities ten years after they were put into abeyance. This action had a profound impact on the history of contemporary China, rebuilding the educational system in China and educating professionals to rebuild China after the Cultural Revolution (G. Hu, 2002; L. Zhang, 2014). There were 5.7 million people who participated in the first University enrolment examination after the Cultural Revolution. Half of them were the “educated youths”, the urban youth who had been sent into the country during the ten years. The educated youths

were allowed to return to the Chinese cities where they could, and would, develop the professional expertise and skills needed for the new economy of China (S. Zhang, 2003).

During the ten-year struggle from 1966 – 1976, the Cultural Revolution wiped out economic and class status distinctions (the gap between the ‘three big differences’: workers and peasants, cities and countryside, mental and manual labour). It advocated the equality of people’s right and equal distribution of economic resources as being the primary communist principle. However, the leaders of the Revolution (mainly referred to as the “Gang of Four”) used this as a means for achieving political benefits for themselves and this seemed to bring economic, educational and cultural chaos to the nation (Robinson, 1981).

In 1981, the Party declared that the Cultural Revolution was "responsible for the most severe setback and the heaviest losses suffered by the Party, the country, and the people since the founding of the People's Republic."(Report of the Eleventh Central Committee of the Communist Party of China, 1981).

4.3.2 The influence: eager for Social position; Conformity further strengthened

4.3.2.1 Desire to have a better social position for security

During the ten dark years of the Cultural Revolution, Chinese people suffered considerable insecurity. In the disordered environment, people did not know what was going to happen the following day. Youths who were sent away to be retrained did not know where they would go next, and were not able to see the way to go back to where they came from. Social structures as well as policies were dismantled. This brought unrest to the Chinese and led to fear, low morale and apathy (Nevis, 1982). Uncertain life paths and insecurity arising from the experience of the Cultural Revolution fostered the Chinese desire to improve their social position as an insurance for their future (X. Zhou & Hou, 1999).

4.3.2.2 Conformity was exaggerated to be an obvious norm

During the Cultural Revolution, a dominant theme was self-sacrifice and self-abnegation (J. C. Wang, 1977). Standing out in any way was considered to be dangerous. The safest way was to adopt an exaggerated Chinese collectivism which led to an extreme level of conformity with others (Nevis, 1982). It was too risky to draw attention on oneself. To individualise oneself was seen as a stand against others. This could be a very bad situation

for a person to find themselves in, the policy-dismantled and disordered society of the time (J. C. Wang, 1977).

4.3.2.3 Chinese traditional values were suspended and destroyed

Recall that, to urge Chinese to stay true to Marxist values and bring an end to Chinese traditions, in 1966 there was a campaign named “destroy Four Olds”— old customs, old habits, old culture, and old thinking. Later, in 1974, Mao launched the “Anti-Lin Biao Anti-Confucius” campaign (Spence, 1999). These campaigns in the Cultural Revolution did not totally destroy Chinese traditional values as proclaimed, but to an extensive degree suppressed the inheritance of Chinese values and misled people. The “Four Olds” were the ways that had guided Chinese lives for two thousand years. Essentially, the “Four Olds” are not “old”, but really “Chinese”. These traditional values and customs and the principles of thinking that underlie them are embedded in Chinese culture and it proved impossible to purge them from the lives of the people.

However, even though traditional architecture and historical relics (including a part of the Forbidden City) were destroyed, artefacts and literature were obliterated, and many artists and cultural professionals were persecuted, this did not substantially change the attitudes of Chinese to their culture and traditions (Lu, 2004). Chinese Confucian teaching was suspended until recent years (Ruiping Fan, 2011). Ten years of limited education threw Chinese learning and the inheritance and continuity of traditional values, especially Confucianism, into disarray. The campaign to eliminate the “Four Olds” may have left a gap for Western values and lifestyles to spread and develop more quickly when they re-entered China from the late 1970s onwards.

4.4 Economic Reform and Opening up to the World started in 1978

4.4.1 Economic Reform and the Open Door policy: Centrally planned economy transitioned to market-oriented economy (capitalist reforms)

In 1978, the 11th CPC National Congress declared the end of the Cultural Revolution, and proclaimed that China would focus on the development of “socialist modernisation”. “In practice this meant opening up to the West and transitioning to capitalism” (Spence, 1999). The profound measures of “economic reform” and “open-door policy” were introduced at this Congress by Deng Xiaoping. The 11th CPC National Congress in 1978 was an important turning point in the formation of contemporary China.

Deng Xiaoping (1904 – 1997), was the paramount leader of China after Mao Zedong's death from 1978 to his retirement in 1989 (Cheng Li, 2001; Meisner, 1998). Deng was Mao's major supporter and one of the top managers of China during Mao's time. Even though he was purged twice during the Cultural Revolution, he regained prominence after the Cultural Revolution in 1978. As the key person of the second generation of leaders of the Communist Party of China, Deng led China through the enormous market-economy reform (Cheng Li, 2001).

The 11th CPC National Congress confirmed the Economic Reform, made sure that economic development was to be the direction for the nation, and defined the change from the previous Soviet-style command economy (Naughton, 1996) or centrally controlled economy (W. Tang, 2005). This was a bold adoption of applying the market economy to allocate resources (Davis, 2000). The Economic Reform is sometimes translated as “Capitalist Reform” (L. Liu, 2015). This change can also be viewed in another way by saying that the Chinese economy transformed from public to private value orientation (Davis, 2000). The reform was to stop a centrally controlled economy, develop a market oriented economy, encourage individual enterprises, and increase free trade like that of developed countries. This economic structure was previously considered by the Chinese government to be capitalistic. Because of this the Chinese leadership was sensitive about calling the new system “capitalism” and avoided the term in describing the new economy (Spence, 1999). No matter how it is named, globalisation (Hooper, 2000), modernisation, or Westernisation, they all point to the same fact: that China had changed its direction of development controlled by the State to development directed or determined by economic trends, i.e., it became market driven. Consequently, political and social structure should change to serve the new economic goals. Secondly, the core vision of this rapid change was to enable China to catch up with the mainstream of the developed countries (westernisation) as other developing countries endeavoured to do (globalisation). The aim was to become as modern as other developed countries (modernisation), to become integrated into the global community, and to connect with the world.

The 1978 11th CPC National Congress is a pivotal event in recent Chinese history. There were many important policies announced at this Congress, radically revising State development. These policies included the Open Door policy, Economic Reform, and the vision of “Four Modernisations”.

The national slogans of the different periods clearly illustrate the large differences between the times of Mao and Deng (see Table 4).

Table 4: The national slogans in Mao's time and Deng's time

Mao's time (1949 – 1976)	Deng's time (after 1978)
<i>Never forget class struggle</i>	<i>To get rich is glorious</i>
<i>Down with all capitalist roaders</i>	<i>Get rich by working</i>
<i>Carry the revolution through to the end</i>	<i>Have no fear of becoming prosperous</i>
	<i>Protect initiative of peasants who become well off</i>
	<i>Time is money and efficiency is life</i>

Resource: Schell, 1984

These changes reflect a shift in emphasis from selfless collectivism to egoistical individualism (Belk & Zhou, 1986). The saying that summarises Deng's theory and direction for China is "a socialism that implies Chinese character".

After this turnaround, there was a short lived-campaign in China from 1982 – 1983 questioning the reforms, mostly comment and concern about the market oriented socialist economy (Belk & Zhou, 1986). But this swing and criticism quickly declined in 1983, and the reforms were re-instituted (Church, 1986; Gelb, 1985). Deng Xiaoping (1983) branded the change by a declaration that it is alright "to make some people rich first, so as to lead all the people to wealth" (Belk & Zhou, 1986; L. Liu, 2015). From then, China sped up on a market oriented road to steadily change to a consumer society.

4.4.2 One Child policy

After population booms in 1953 – 1957 and 1963 – 1972, the Chinese government came to realise that the population would be an issue influencing the growth rate of the economy. It was concerned about the shortage of funds for the maintenance and education of the unrestricted number of children being born. Further, rapid population growth was considered to hinder the elevation of the population's scientific and cultural levels (K.-I. Chen, 1982). Population growth and birth control were implemented during the 1970s, supported by the slogan of family planning "later, eugenics and few". In the third session of the fifth National People's Congress in 1980, the State Council officially called for "only one child per family" to establish the One-child Policy (Spence, 1999).

4.4.3 Setting up Special Economic Zones

Starting in Shenzhen in 1980, five “special economic zones” were set up along south eastern coastal China. Later these zones were established in fourteen more coastal cities and Hainan Island. These zones were granted free trade approval by the government, and built up formal and structured cooperation with foreign companies and international businesses. These speedily developing regions acquired a more Westernised, materialist lifestyle compared to the rest of China (R. W. Lau, 2001; Spence, 1999).

4.4.4 Deng Xiaoping’s Southern tour in 1992

This huge change of attitude by China, from having a previously negative image of the West as capitalistic and exploitative, was suddenly transformed into the desired destination. This change caused critical debates on at least two occasions (Croll, 2006). The radical changes of the reform also brought corruption and unemployment, destabilization of market prices and money supply, and other social problems. Together these evoked the Tiananmen Square protests in 1989 (Spence, 1999). In 1992, Deng gave dominating and convincing speeches when he visited southern China. Deng’s successful speeches boosted further economic readjustment and reform. The speeches emphasised that China should “Uphold Economic Construction as a Central Policy” and speed up development by opening up to the world and developing an appropriate capitalist economy within China as a useful supplement to the socialist economy (LeBaron, 2002, p. 256). Deng asked the people to stop disputing the changes and instead to “do more practical things”. After Deng’s South China tour, China further opened up to the world and accelerated its pace in developing a capitalist market economy (S. Zhao, 1993).

4.4.5 Some Economic changes

Privatization of economy and reducing state owned economy. One big change was to reduce the size of the state sector, reduce and abolish state monopolies, and shut down some unprofitable enterprises owned by the state. Also, China relaxed restrictions on private sectors and allowed the entry of private firms (H. Li, Meng, Wang, & Zhou, 2008; K. S. Tsai, 2007). As result, the GDP of state revenues declined from 35% in 1978 to 27% in 1982, while disposable household incomes increased from 55% in the pre-Reform time to 70% in 1983 – 1984 (Naughton, 1996).

The state-owned and controlled economy gradually shifted towards private ownership. In 1993 state-owned enterprises (SOE) were allowed to be independent legal identities like corporations, and to be separated from government (L. Liu, 2015). Private capital also entered SOEs allowing part ownership by shareholders and private management. Later, in 2005, even the national defence industry was opened to private enterprise (Ren Fan, 2005; Yip, 2006). Privatization allowed the responsibility of social welfare to devolve from central government control to local communities, organisations, enterprises, and individuals. From state-owned enterprise employees' perspectives, this was an action that broke their "job for life" and as well interrupted their family benefits including children's education and health care that had been provided by the *danwei*. This process of economic reform was considered to be a sign or effect of capitalisation, shifting away from the "communisation" and "socialisation of social welfare", that were practised before Deng's economic reforms (L. Liu, 2015; L. Wong, 2001; Yip, 2006, p. 72).

Foreign capital and foreign goods entered. Apart from revolutionary changes within China, the country opened its door to the rest of world. China needed foreign capital and expertise. Under the aim of "connection with the world" and modernisation, China realised that it could not be isolated any more, and had to accept what was previously absolutely rejected. After further strengthening the Open Door policy and dismantling limitations in 1992, China basically became freely opened to the world. China was once again hailed as the great marketing opportunity (Hooper, 2000). With this opening up there was an influx of foreign goods and brands entering China (Jian Wang, 1997).

The growth of foreign investment was dramatic, increasing from US\$100 million in 1979 – 1980 to more than US\$45 billion in 1994, and soaring to over US\$140 billion in 1996 (The People's Daily, overseas edition, 5 June 1996, p1, in Wang, 1997). By 2014 it reached US\$909 billion (the Foreign Investment Department of the Ministry of Commerce, 2015 statistics).

Housing commercialisation: no more public housing distribution

Before the Economic Reform, urban residents lived in houses provided by their *danwei*, the organisations that they worked for. Housing was a part of wage costs of their *danwei*, and public sector housing was mostly freely provided to employees. The *danwei* took the responsibility of organising both their housing activities and their production activities within the areas of land allocated to them (Y. P. Wang, 1995; Y. P. Wang & Murie, 2000).

90% of all housing investments were from the unified state-local budget (the World Bank). However, after the Economic Reform, the state discovered that the investment in housing did not have a financial return. To facilitate economic development, the Housing reform was implemented with the aim of re-organising housing provision to ensure a financial return (Wu, 1996). Step by step, public housing distribution was eliminated while private capital was encouraged to be invested into the housing development sector. Residents renting their assigned houses were encouraged to purchase their own houses. In 1998 the Chinese State Council issued the 1998-23rd official document, which declared the intention to terminate the welfare housing allotment system and to commercialise and privatise the residences owned by the State (Z. Yu, 1998). After this declaration the real estate market expanded explosively.

4.5 The influences of the Economic Reform and the rise of Consumption: the new forms of Societal Conformity, Social Groups and the significance of Conspicuousness

In this section I will review influences that developed in response to the rapid changes of the Economic Reform. The main focus is on the new social groups that developed in the new social contexts, the dramatic development of consumption in China and its value to Chinese, and as well as the new definition of success in the recently formed consumer society. Also, the rapid changes in the last half of the 20th century meant that succeeding generations grew up in different environments and circumstances. In particular, the youngest Chinese generation grew up in a Westernised, consumption-oriented China.

Chinese traditional practical ideology helped Chinese get through all the dramatic changes smoothly.

Over the last half of the 20th century, enormous changes and reforms kept happening in China. While other socialistic societies did not develop well, e.g. the dissolution of the Soviet Union, China continued to develop apace. As discussed in section 2.2, Chinese ideology is practical and sophisticated. For instance, when a person is in adversity, the tendency is to think more from the perspective of Taoism, in the sense that the real world is meaningless, and a person needs to be beyond the purposes and concerns of failure and triumph. In a worse situation, a person tends to use the wisdom of Buddhism more in the sense that as everyone's destiny is prescribed, there is no point in fighting against it, but

instead accept the situation and wait for a change. These teachings most likely helped Chinese console themselves and others when they suffered the misfortunes that confronted them through the changes of the 20th century. By these philosophies, the rapid change of “ism” could be accepted and self-tuned very quickly. Chinese people adjusted to the social and economic changes brought about by the reforms. This included the unemployment caused by SOE reform, the disassembly of *danwei*, and the related corruption. They tolerated and adjusted to all the social unrest and changes they encountered. Chinese of the PRC seem to have adjusted their beliefs and thinking very well in response to the societal change imposed on them.

4.5.1 New social context and new social groups

4.5.1.1 Economic Reform boosts People's migration

An emphasis on light industry arising from the economic reforms replaced emphasis on heavy industry. This facilitated the production of consumer goods. It also indirectly increased worker motivation and mobilisation of the population. Following the Housing reforms, freedom of purchasing houses was fostered accelerating quick development of cities. This increased job demand and the rate of urbanisation and together fostered the mobilisation of people.

New immigrant workers leave rural areas

The establishment of special economic zones in the 1980s provided a great increase in work opportunities, and suddenly increased the mobilisation of people within China (Naughton, 1996). In particular, young people from rural areas became more mobile responding to the new labour opportunities in different parts of China, especially in the special Economic Zones and other eastern coastal provinces (Spence, 1999).

For example, in 2012, in the single province of Guangdong there were about 30 million migrant labourers most of whom came from inland provinces (A. Chan & Siu, 2012). The mass of young immigrant workers from isolated rural areas admire modern city life, but find it hard to fit into the new urban environment. They have become a different class in the cities, looking to establish their social position and use ways to establish their new identity, including their consumption levels and preferences (A. Chan & Siu, 2012; C. K.-C. Chan & Ngai, 2009). In the process of integrating into cities, this increasing new working class is becoming a “consumption giant”. Consumption by this 160 million migrant population in

China was estimated to account for 11% of the GDP of China in 2015. Young immigrant workers pay attention to brands and city style consumption with the aim of integrating themselves into cities (Pan, 2015; C. Yan, 2007). The consumption pattern they learn in cities may influence the rural areas of China where they come from, and may increase more migration from the rural areas and foster more and different consumption in the rural areas they come from.

The Housing Reforms introduce new strangers into the neighbourhood

Before the Economic Reform and the Housing Reform, people in urban areas used to live in houses provided by *danwei*. Due to the large size of *danwei* these houses were usually part of big blocks of buildings housing many dwellers. In many places these block communities were called “family yards”. Within a family yard, the employees who worked in the same *danwei* usually knew each other. Their families interacted often and their children played together around the family yard in a secure situation which was the responsibility of their *danwei*. Like the stable social group oriented *danwei*, the family yard was also a stable social group wherein people had strong feelings of belonging.

However, after the Housing reform, when young people have graduated and needed to find a job in their hometown or in a city, they have to rent or buy a house in a commercialised block where they are strangers to the others living there. The initial *danwei*'s family yards also became commercialised with many new dwellers not from the same workplaces buying houses there so they did not know each other. Such privatization of housing was likely to increase social and physical exclusion and segregation (Y. P. Wang & Murie, 2000). In these new social environments, residents' social relationships became shallow and did not provide the deep understanding that occurred in more communal living. This new isolated dwelling pattern encouraged the consumption of possessions to build the personal social images of individuals to enhance their personal Face.

New social group

The increased work opportunities provided by the free market and the Housing reform accelerated population mobility. The number of one-person and one-couple-only households increased quickly after the Economic Reform, and the average household size decreased significantly (Y. Zeng & WAng, 2004). The immigrant workers from rural areas and the urban youth who grew up in *danwei*'s family yard became separated from their parents and

the extended family that they grew up with. Thus they had less connection with the family-based social group they belonged to and also had less responsibility and obligation to this social group. Instead, they developed new social groups from their career contacts and other contacts involving, as examples, sporting and cultural involvements. However, the new social groups formed were less likely to be as stable and deeply rooted as their family-based social group, and are relatively fragile. Youths now have more social groups to join as there are more social activities in big cities. Also they change social groups more often than their preceding generations as they change their careers more often. In the new, quickly changing social context, they need to swiftly change their social identity in their communication with different social groups. Having visible, conspicuous consumption is handy for changing their identity in order to belong to different social groups.

In the new social context, the values that guide people's behaviour are still predominantly the traditional values. They treat each other including strangers with *Li* (rites, propriety), they keep their new social intercourse in harmony to avoid causing any conflict. They are more cautious and alert, being careful not to show their true self in order to protect themselves from the strangers they encounter in a new social group. They connect to people with *guanxi*, and *renqing* is also the way they interact with other people. They build up new *guanxi* networks by making new connections in strange unfamiliar environments.

Immigrant workers are more likely to make strong connections with those who come from the same regions, towns and cities to build up new social groups in the new and strange city where they come to find work. These people have a strong sense of group identity. Urban graduates form their new social groups through connections they have by work, by alumni, and by social activities and clubbing. In these new social groups, the *guanxi* network cannot be as strong as they once had, or may continue to have, in their family and blood relationship groupings. The new *guanxi* connections are likely to be shallow and involve snobbery. To a greater extent they depend on the resources and exchange of favour that members of the group offer. They need the social groups to fulfil their desires of belonging and identity. They also need to have recognition by others in the group that they are successful. Thus consumption then became a convenient tool for them to present and show their success by signalling social position and wealth.

Chinese family structure in rural areas has changed little. The changes of new social relationships and development of the consumption culture has mainly developed in the

urban areas. However, the development of the urban lifestyle is watched by people of the rural areas of China and they are aware that life in the urban areas is driving social change in China. Also, the mass of peasant workers living and working in cities (who numbered about 160 million in 2015 (Pan, 2015)) introduce the new city style to rural areas by continuing to communicate with and visiting their rural based families.

4.5.2 A New definition of Success: eager for Consumption

4.5.2.1 Insecurity promotes the desire for financial success

State Owned Enterprises (SOE) used to be the core business structures of the Chinese economy, but after the Economic Reform, privatisation of SOEs was implemented which aimed to pass management from central state authority to the enterprises themselves. Consequently, there were millions of employees of SOEs who were displaced and had to leave. In China's modern history this revolution was called smashing of the "iron rice bowl". The "iron rice bowl" (铁饭碗, job for life) was the term describing the permanent contract between SOEs and employees. They provided guaranteed job security, steady income and other benefits. There is no accurate record of the number of workers who became unemployed by this change. According to the BBC (the British Broadcasting Corporation) the China Daily once reported that the number of SOE employees made redundant was 5.15 million and this number was criticised as not including all (BBC-NEWS, 2002). Some unsubstantiated reports claimed the number was more than 15 million.

The rapid change of economic structure that involved disestablishment of the SOEs in China brought huge job losses, and consequently, social unrest. Actively or passively, many people left their work units, *danwei*, which they and their family relied upon. They tended to lack a sense of security, as they had lost the job that once guaranteed them lifelong benefit. The stability of the new society after the reform also caused anxiety. Kasser, Ryan, Zax, and Sameroff (1995) concluded that financial success may compensate for feelings of insecurity. Chinese households saved a quarter of their after-tax income into a bank and this became one of the highest saving rates in the world (Chamon & Prasad, 2010; Farrell, Gersch, & Stephenson, 2006). Being financially strong would provide insurance in another way, and could help people to maintain a sense of worth and gain social approval. Thus, when societal change provided the opportunity to build personal wealth as well as provide business opportunities, the feeling of insecurity may have provided a stimulus for people to

pursue financial success and perhaps become rich. The process of capitalisation increased the value of materialism in China, and gradually changed people's understanding of success.

4.5.2.2 "Success" came to be a definition of economic strength

Since "to be rich is glorious" was promoted in Economic reform, and Deng's invocation "to make some people rich first", the definition of success in China implicitly changed into a measure of individual economic strength and wealth. To create your own financial wealth first is to answer the call from the state. Responding to Deng's invocation brought individuals real benefits. Advertising re-appeared in the media from 1979 and was no longer considered to be an essential corruption by capitalism as was previously the case (Pollay, Tse, & Wang, 1990). Advertising developed quickly and the role models of success seen in the media were people who had prospered through hard work. Promotion of consumer culture was no longer considered a stigma. The new rich were presented to the public as "virtuous successes" rather than as hated "capitalist roaders" (Belk & Zhou, 1986, p. 137) i.e., a person or group under Maoist philosophy who demonstrated a tendency to bow to pressure from the bourgeoisie.

"To be rich" became the new goal of the Chinese, and signalling wealth by conspicuous consumption increased as well. In China's typical collectivistic society, people rely heavily upon each other regarding their own behaviour and the response it generates from others. In China, to bring glory to your family by getting rich in order to enhance Face for you and your family, you have to show off your success at getting rich. This would be actualised through the process of being noticed by others and your success being seen by them. In this new society success tends to be granted by the public. No-one just wants to be successful; rather, they strive to be seen by the public as being successful. Based upon the practical mind set, Chinese changed their beliefs quickly responding to the societal changes. When their success was defined by financial achievement, they quickly changed and caught the trend, using all the resources they had to become rich. As getting personally rich indicates success, a financially successful Chinese feels the need to show and convince others that they have got rich. Having and showing foreign products, because of their symbolic status, is one of the options used by successful people to convince others that they are wealthy. I will discuss this further in the next section in considering the social status value of particular goods or consumer items.

4.5.3 Consumption is rising

Since the economic change the private economy has been encouraged and protected by Deng's saying, "Have no fear of becoming prosperous". Chinese have been motivated to put effort into making their personal financial and material fortunes, rather than working for the mutual good of all people that was the situation in Mao's time. In rural China, the collectivistic production pattern practised by the people's communes (peasants working together and sharing production), changed to a household output quota system (each household is responsible for their own farm and output).

In cities, the self-employed private entrepreneurs (*getihu*, the private, individualistic business) were encouraged (Spence, 1999). The attractiveness of individual well-being that *getihu* showed by their own financial success set a strong example to encourage Chinese to work hard for their own fortune (Foster, 1992; Woon, 1994). They then started to have more disposable income to spend on themselves.

The special economic zones, by having more free trade approved by the state and less limitation on cooperation and exchanges with the outside world, became the windows for Chinese to see the world (R. W. Lau, 2001; Spence, 1999). These special, Westernised zones have demonstrated to the rest of China the economic advantages of the newly introduced economic processes. The accelerated rate of China becoming a consumer society strengthened Chinese belief in materialism.


4.5.3.1 Self-production and consumption pattern (self supply) shifts to consumption

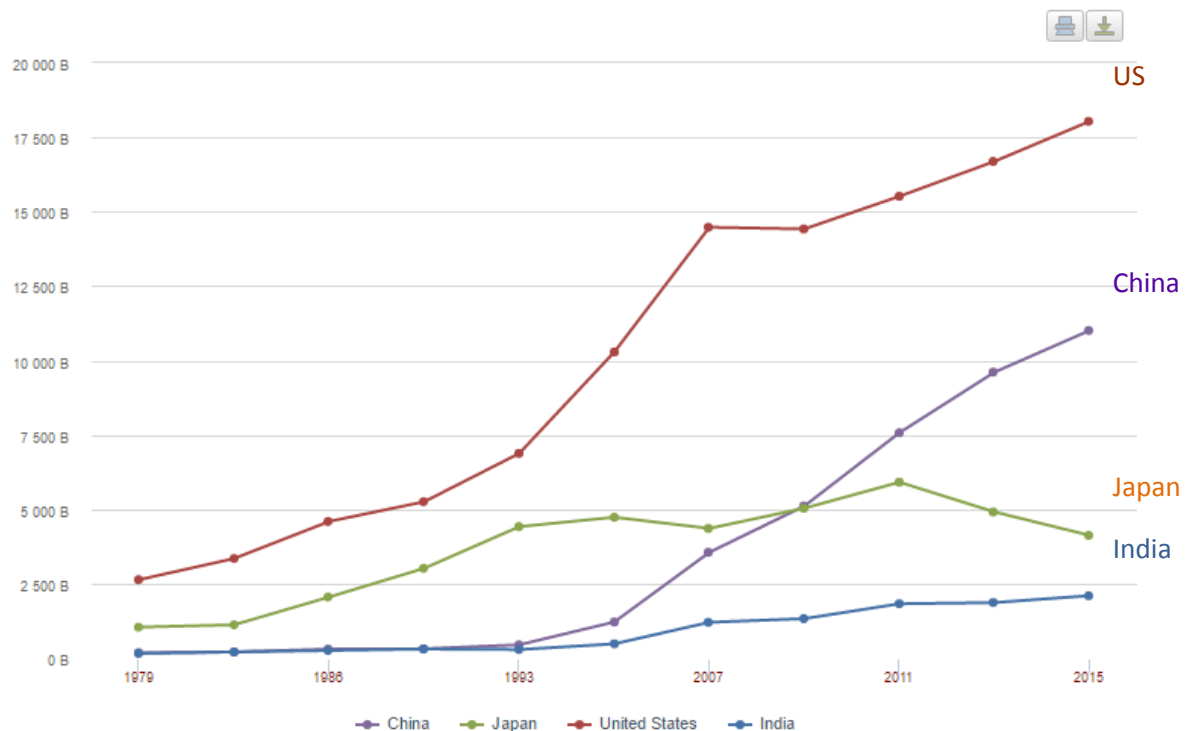
China once self-produced and supplied most of the materials required for living. For centuries people in rural areas planted crops and raised livestock to produce food, and wove fibres to make clothing. They produced by themselves almost everything they needed to live. This situation did not change after the establishment of the PRC. "Do it yourself, to produce sufficient clothing and food" (自己动手, 丰衣足食) was often a slogan used by the Chinese Communist party led by Mao Zedong to encourage people to get them through all the difficult years when materials, including those essential for life, were in short supply (C. Han, 2009). Even in urban areas, people planted vegetables in their yards and raised chickens and rabbits for eggs and meat as well as fur and other fibres to make clothing. They made their own clothes by sewing garments and knitting sweaters and made and

cobbled shoes. This is why the manual sewing machine became one of the “three Bigs” in Mao’s time (Walder, 1983).

After the Economic Reform was established, more people had sufficient income to meet the needs of daily life and have disposable income that could be used to purchase non-essential goods. Then Chinese began to put effort into making their personal financial fortunes, and they reduced or eliminated the time and effort put into self-supply by growing and making products for their own use. Instead, they increased their purchasing of essential and non-essential goods for consumption. In the field of economics, the term “economic monetization” describes the change from self-supply and bartering to the use of money to purchase goods. Research shows that China adopted monetization rapidly after the start of Economic Reform (S. Liu & Wang, 2005; Yi, 1991; Jie Zhang, 1997). Monetization happened in both urban and rural areas. The average per capita spent by urban residents on consumption in 1992, the year Deng made his Southern Tour speech tour to boost more reform, was 5.8 times that of 1977, the year before the start of Economic Reform (RMB 1983 to RMB 360). For rural residents the average per capita of consumption increased 5.2 times from that in 1977 (RMB 124 to 648 RMB) (Tao Yang & Zhou, 1999). This shift enlarged market demand.

After China adopted a market-oriented economy and changed from a centrally controlled system in the late 1970s, and even further from 1992, the Chinese economy developed rapidly as a result of the Economic Reform. China's GDP passed \$8 trillion USD in 2012, about 55 % the size of the US economy. The GDP of China increased further to reach 8.6 trillion in 2013. After the Economic Reform, China’s GDP Growth rate was no less than 7.8% per annum in the period to 2014 (see Figure 7, the rise of GDP in China).

GDP (current US\$) 
 the GDP Growth of China comparing with other countries



Source: World Development Indicators

Figure 7: The GDP Growth of China

Source: The World Bank, accessed in Dec, 2016

China became a consumer society very quickly (Tse et al., 1989), as Chinese incomes began to rise. In 1981, there were over 30 million urban Chinese who earned over eight times the average income (Berney, 1981). However, the GNP index in China was still low compared with other established industrialized nations (e.g. US and Japan). Even so, the whole economic environment was markedly changed in China, and many people were able to build up their individual wealth. In rural areas, communes were split up in order to develop individual initiative agriculture (i.e. agricultural production became the responsibility of households in 1983) (Spence, 1999). In cities, individual and small scale private businesses were allowed and also encouraged (Spence, 1999). Self-employed individual enterprises and businesses (*getihui*) became legal and their number increased rapidly from about 160,000 in 1978 to over 7 million in 1984 (Kraus, 1991, p. 64).

With the increase in disposable income, Chinese families had more choices to purchase commodities, and especially since those premier goods that implied social value were

increasingly available for purchase. Thus nuclear families had an increased desire and opportunity to spend on consumer goods, and particularly to lavish these on their only child. These factors, taken together, made consumption rise.

4.5.4 Conspicuousness of Social value in Consumption

4.5.4.1 The importance of Symbolic value facilitates the social significance of consumption in China.

The value of symbols is crucial and significant in Chinese culture. This implicit symbolic value is often more important than a stated explicit value. It is a “non-spoken” characteristic of Chinese culture. In models of using spoken language, figures (symbols) and meaning are used to describe communication. If we say that Western culture is “speech-oriented” whereby people communicate through speaking, then Eastern culture is more “meaning-oriented” involving interactions between symbols and meaning (*Yixianghudong*, 意象互动) (T. Li, 2016; H. Yin, 2006). This may be derived from the “three teachings” that form Chinese ideology (Confucianism, Taoism and Chinese Buddhism). Confucius’s teaching was to “be prudent in speech but earnest in conduct/action” (君子欲纳于言而敏于行) (*Lunyu*, Ren, Chapter Four). Both Confucianism and Taoism give emphasis to speaking less. In *Tao Te Ching* (道德经, the *Classic of the Way and Power*), the master work of Taoism, it said at the very beginning: “the *Tao* (the way) that can be told of is not the eternal *Tao*.” (Laozi, Mitchell, Roig, & Little, 2007, p. 1) . Chinese Buddhism particularly gives high praise to communicating meanings through meditation without speaking out. “Thus speaking would mislead the communication, the heart will communicate with the heart itself” (言语道断, 以心传心) (T. Li, 2016).

Further, Chinese is considered a high-context culture (D. Kim, Pan, & Park, 1998). This context gives strong support to Chinese understanding of behaviour and symbols in communication. This reinforces an unspoken rule in their communication. For example, in an official visit in China, tea would be served to the guest. If the host picks up his teacup and says to the guest “please have some tea”, this is the sign that it is the time for the guest to leave as no more talk is needed, and the time left is to drink. The guest should understand and stand up shortly after the invitation to drink and ask to leave. Traditionally, picking up the tea cup to say goodbye is implicitly a social norm in China. This unspoken action is an

appropriate sign because both host and guest would not be embarrassed by an inappropriate response. It matches the Confucian principle of seeking harmony.

Altogether, Chinese actions, including the things they are using, tend to have some underlying unspoken meaning. The visible things tend to imply meanings that people need to decode. Regarding the symbolic value that was mentioned previously, a symbol needs to be displayed for others to perceive its value. Compared to truly “having”, it is more important to Chinese to “show” that having. It may be understood that “having” is for an individual’s private good. “Showing” is to show others that the “having” is actualised by being perceived by the public. Without “showing” a “having”, the symbolic value will be lost.

A typical example is that people tended to keep the label sticker on foreign goods. For example, sunglasses were novel imported goods into China and presented a foreign flavour. Usually they have round or oval stickers on the corner of the sunglass lens. People tended to keep that sticker on the lens when they wore them to show their foreign origin. This xenophilic phenomenon became very obvious so it gained an official name, *Chongyang meiwai* (崇洋媚外, worshipping and having blind faith in foreign things), in the 1980s (N. Zhou & Meng, 1997). The product-country image matters to the perceived status (H. Gao & Knight, 2007). When Chinese were encouraged to be individually wealthy in order to be considered successful, they used fashionable status symbols to show off their success, and consequently by doing this to enhance their social Face.

4.5.4.2 Status value attached to goods increased their consumption

Because the huge demand for consumer goods was suddenly boosted, there was a period in the early 1980s when there was a short supply of many consumer goods and services. This resulted in increased status for those able to own some of these products and use services, e.g. television sets, household help, motorcycles, fashionable clothing, cosmetics and perfumes (Belk & Zhou, 1986). This “status value” was not only related to economic status but also owing to their possession showing that the owner could afford such goods. It could also imply that the possessors of the goods had some privilege from being able to access them. Usually this was through family *guanxi*. Recalling the discussion of ascription culture that I have considered in section 2.2.4.5, Chinese admire the privilege *guanxi* brings, rather

than regarding it as unfair. Hence, this ascription attribute of culture makes showing off possession of goods more meaningful and encourages such behaviour.

During Mao's time, the 'Three Bigs' in the Chinese consumer's list of consumption aspirations were a bicycle, a wrist-watch, and a manual sewing machine. The 'Three Bigs' were symbolic and representative of the wealth of households at the time. By 1982 the average urban worker household owned 2.49 wristwatches, 1.47 bicycles and 0.74 sewing machines (Walder, 1983). Later these 'Three Bigs' were replaced by different "Three Bigs": a refrigerator, a washing machine and a television set (Church, 1986). An even more lavish "big Six" list has been suggested, to include tape-recorders, electric fans, and motorcycles (Jones et al., 1985). These "Bigs" came to be regarded as necessary when young couples married so that the "Bigs" became symbolic. At the time, such "Bigs" were expensive so they indicated the affluence of households. Additionally, at the time such "Bigs" were in short supply and one had to have some *guanxi* connection to find a way of purchasing such items e.g. obtaining ration coupons (Walder, 1988). Again, this access to privilege is admired and cherished by ascription culture. Hence, the symbolic "Bigs" imply financial affordability and social status by having the *guanxi* links to access the "Bigs".

Another market phenomenon was status value of owning foreign products. Foreign products and brands became very popular as soon as China opened its door to the world. For example, by the mid-1990s, Coca-Cola sold more than 8 billion bottles and cans annually in China. Cameras and photographic accessories produced by the foreign companies, Fuji, Kodak and Agfa, controlled over 75% of the Chinese market share (Hooper, 2000, p. 441). After exposure to the many foreign commodities entering China, Chinese soon showed an enthusiastic and bottomless appetite for foreign goods (Appadurai, 2011). Hooper (2000) considered that this appetite was due to three major factors: quality, status and marketing.

In the early years of the open-door policy the better quality of foreign products at the time attracted Chinese. Superior marketing procedures also accelerated consumption of foreign products. However, among these three factors, quality and marketing of products were not exclusive to gaining access to the uptake by Chinese consumers as these are common factors in gaining entry into, and uptake by, most markets. The more pivotal and dominating factor that makes foreign products popular in China is their status value.

One of the purposes of the implementation of the Open Door policy was to import Western technology, capital and experience to help China catch up with the wealthy nations of the

world. China wished to become one of the “strong, prosperous, and successful members of the community of nations”. After “opening the door”, high quality Western goods, values and lifestyle entered China. There was an “exocentric period” for a time, particularly in the 1980s, when Chinese admired Western products. Foreign products represented an association with the modern world. The ownership of global products was a sign of an advanced lifestyle and showed affinity with the dominant developed nations (Belk, 1988, 1996; Hooper, 2000; Salinas & Paldan, 1979). Thus, foreign products became “positional goods” showing a certain social standard because of associated status image and symbolic value (Zhao, 1994, p45; a survey by Lingdian 1997 in Hooper 2000). In other words, foreign products, because of their “global” orientation, symbolised “success”, and brought their owners Face (N. Zhou & Belk, 2004).

Because Face acquired by ownership of quality foreign products only has symbolic value its value is superficial, mainly that of a mark of modernity (Zhou and Belk, 2004). It does not change the core value of products. The flirtation with Western products may be merely a case of what Schein calls “imagined cosmopolitanism” (2001, p. 226).

4.5.4.3 Another view from Maslow’s model: Consumption in China is used to meet Social needs before Physiological needs

Maslow’s model regarding the hierarchy of needs is widely used in sociology and psychology. We can also use the model to explain consumption behaviour. His model starts with a person’s physiological need, safety and then belonging needs (social), followed by self-esteem and self-actualization (Maslow, 1943). Maslow’s model is applicable to many countries, such as the USA, whose societies are based on individual personal development. However, Nevis (1983) is critical of the model saying it is not applicable to Chinese society. The foundation of Chinese society is not individual personal development, but instead a person’s service to society (G.-M. Chen, 1995; T. Sun, Horn, & Merritt, 2004; Triandis, 2001).

The foundation of the Chinese social hierarchy is the relationship with others to meet their social needs. The needs of society require even more priority than personal physiological needs. In other words, Chinese tend to meet their social needs before they attend to their personal physiological needs (Nevis, 1983). “The belonging aspect of the Chinese hierarchy is the focal point or bedrock of its society” (Nevis, 1982, p. 21). Nevis’s point has been supported by Tse, Belk and Zhou (1989). In short, in China the value of consumption does

not follow the priority that it is given in the West. This point of view on Maslow's model may explain the significance of the social value of consumption in China in another way. Social and psychological needs of Westerners are mostly met after they accomplish their basic utilitarian physiological needs, whereas Chinese tend to meet their social needs even before they are concerned about their personal physiological needs.

In short, the symbolic value of consumption primarily serves the social need for Chinese. Chinese are likely to want their consumption to be seen in order to signal their success. However, that conspicuousness may not mean to be exclusive for Chinese; it may be just because the others in the same social group have done the same, i.e., have copied the behaviour. This point will be supported and explained by personality-versus-situation associated consumption by Aaker (1999) in Section 5.1.1. China tends to have a culture of situation congruity in that people's consumption is more likely to focus on situational cues to gain social approval, rather than being consistent with their personality.

4.5.5 Young Chinese are a new generation: individualised and consumption-led

Implementation in the PRC of Economic Reform, the Open Door policy, and the "One-child" policy in the late 1970s made young consumers different from those of the preceding generations. The only child of young married couples often became a very special family treasure and was often called the "little Emperor" of the family (Cameron, Erkal, Gangadharan, & Meng, 2013). When the One-child policy was implemented, new parents often continued to have paid employment (C. H. Chen & Tyler, 1982) using the options of leaving the child in day care or having grandparents look after the child while they worked. Thus, the young married couple was able to continue to earn an income and were able to live better lives financially and pamper their only child with material goods (Belk & Zhou, 1986).

The structure of the traditional family also changed. More new couples moved out of extended families to be away from the older generations they used to live with. Housing reform further increased the separated living of generations. Young people were able buy their own house if they could afford it without having to wait for a place in the allocated quota of houses as used to be the case. Thus, there was an increase in the number of nuclear families with greater disposable income. Parents, who used to be limited by insufficient material supplies, now had more disposable income and often exhibited an increased

willingness and ability to spend a large portion of their family's income on their child's material welfare. This trend was enhanced when commodities were in sufficient supply from both domestic and overseas markets (Ngan-ling Chow & Zhao, 1996; J. Sun & Wang, 2010; Jing Zhang, 2010). The only-child generation therefore increase their consumption more than their parents. Also they were born when there were sufficient commodities available and so are able to purchase and use commodities as they need (Davis & Sensenbrenner, 2000; Ian St-Maurice & Wu, 2006).

Further, only-children are more likely to be spoiled with materials and love not only by their parents, but also their grandparents. With no or fewer siblings of similar age children tended to be more self-centred and less cooperative (Cameron et al., 2013). Simultaneously, an abundance of exposure to Western values, including individualism and materialism, were imported into China. National affluence, exposure to Western values, and modernisation acted together to make once collectivised people individualised (Triandis, 1995). The younger generation of Chinese is also becoming more individualised because of the new era of internet consumption and leisure consumption (X. Yin, 2005).

These days, young Chinese people's values have inevitably become much more individualised, changing from the selfless collectivistic values Chinese people previously practised. R. Zeng and Greenfield (2015) on Chinese words indexing indicate that adaptive individualistic values (e.g. indexed by words "choose," "compete," "get," "private," "autonomy", "fair") increased between the 1970s and 2008. In contrast, words indexing less adaptive collectivistic values (e.g. indexed by words "communal", "obedience," "effort," "help" and "sacrifice") declined in their use due to the rapid economic development of China (R. Zeng & Greenfield, 2015, p. 53).

Thus, young Chinese, who are better educated and have greater disposable incomes (Farrell et al., 2006), are considered more open-minded, are said to reject traditional values, and are regarded to be more individualised, than the generations that preceded them (Alden, Steenkamp, & Batra, 1999; Wei & Pan, 1999; Xiao & Kim, 2009).

4.6 Summary

China has quickly transformed into a consumer society, where the social value of conspicuousness now increases the significance of consumption. The traditional cardinal cultural factors, societal conformity and interaction in social groups never attenuate. Rather,

they implicitly remain, even strengthen, but in a new form. After the Economic Reform and the Open Door policy, Chinese put more effort into improving their own economic fortune and sought to be provided with better and more efficient commodities that could be obtained internationally. More disposable income, fewer family members, feelings of insecurity, changed patterns of production and consumption, and the social behaviour related to consumption, taken together, have caused China to quickly become a consumer society. Materialism has become an important new belief for Chinese. Possession of materials is used to show their social status and their wealth in order to signify their success for others to see.

Population mobility and greater ease in change careers and places of employment reduced people's social group connections especially with their initial family-based social group, and have increased the possibility of joining new social groups. The unspoken meaning underlying the display of visible materials reinforces the symbolic value of possessions in communication. Especially when encountering strangers, people judge each other by their appearance, by what they wear and by what they use. Amongst social group members, such symbolic value of possessions shows and reinforces their mutual identity.

The traditional factors, despite attempts to suppress them by the State during Mao's time, have never been truly lost (P. Liu, 1976). "Common ownership by all people" (communist ideology) and "social equality" (socialist belief) does not seem to have replaced the inherent, hereditary traditional values that guided Chinese for over two thousand years (King, 1991; P. Liu, 1976). The structure of hierarchy still remains in society and communities including workplaces and in Chinese families. Chinese still train and discipline themselves with *Ren*, and treat others with *Li*. They still endeavour to make all social intercourse in harmony without causing conflicts. Chinese still live in and rely on their *guanxi* network with *renqing* as social resources, even though their social group may be formed in different ways, i.e., by occupation, by alumni and other social activities (King, 1991). Face is still the social image they want to protect, maintain, and enhance further. These social values still influence Chinese behaviour, including consumption. The values remain, but perhaps the means which Chinese use to practise these values have changed. Among the traditional factors, Face, the image of social self, has the most direct impact on consumption decisions.

The rapid, dramatic changes happened mostly in the last half of the 20th century socialistic reconstruction in the 1950s, the Cultural revolution in 1960s and 1970s, the Economic

Reform in late 1970s and 1980s, and further reform and opening up in the 1990s after Deng's Southern Tour speech. There were big changes in every decade after the establishment of the PRC. Chinese who grew up in each decade have been educated, surrounded by, and experienced different values and social and economic phenomenon. The young people, the future of China, who have grown up in a consumption society with more imported values and goods are especially considered to be the most individualised and cosmopolitan Chinese ever (J. Sun & Wang, 2010; Wei & Pan, 1999; Jing Zhang, 2010).

Consumption increased rapidly in China. Besides the drive of consumption to fulfil their physiological demands, the social need for self-actualisation through others' perception also plays another vital role in determining Chinese consumption. Chinese use consumption as a means to gain the social proof required to maintain and improve their social image, and hence improve their Face. The social environment has changed from inherently stable social groups to more quickly shifting social groups. The new and rapidly changing pace of society greatly increases encounters with strangers. To make good social contacts and to build new social groups, Chinese need to show their identity to maintain or gain their social Face to define their position in the social context. Consumption is an efficient way of signalling their identity and presenting their social status and economic strength. As a result, in a consumer society when the new social context generates new social groups, Chinese are likely use consumption to claim their sense of social self, their social Face, by impressing others through signalling their social status and wealth. This type of Face that Chinese maintain and enhance through their consumption behaviour I call Consumption Face, the concept that this thesis identifies and analyses.

4.7 Defining Consumption Face

Consumption Face is not a new type of Face. I propose that it is the component of Social Face that an individual maintains or enhances through observable consumption. Given that social Face reflects one's social image, traditionally, any way of optimising this image will bring one Face. Chinese 'social Face' is maintained and enhanced both by one's behaviour through following the Confucian teachings (e.g. *Ren, Yi, Li*: benevolence, righteousness and propriety (Gabrenya & Hwang, 1996), and by showing one's success in social contexts (Hu, 1944).

However, as I have reviewed in this chapter, we have come to understand that considerable changes have occurred within the last half century in China moving from the ancient traditional ideologies (Confucianism, Taoism and Buddhism) to socialism, and particularly to sudden “Market socialism” after implementation of the Open Door policy, the economic Reforms in the late 1970s and further reforms in 1990s. In today’s China, the dominant model of success is defined by material possessions, following the State’s new policies “to be rich is glorious” (K. Chan et al., 2006; Tse et al., 1989). Moreover, in China, the typical interdependent collectivistic society, people have become more materialistic, and tend to apply more the symbolic meaning of products and brands for signalling their wealth and status to others (S.-K. Lau & Kuan, 1988; Tse, 1996). This is due to the “interpersonal effect” (Leibenstein, 1950; Vigneron & Johnson, 1999) and a lack of security after the big societal changes (Doctoroff, 2012). Consumption thus takes an increasingly larger role in fulfilling Chinese ego and social self (L. Tong, 1994; Tse et al., 1989).

According to Confucian principles, proper *behaviour* must be maintained over a long period of time in order to build a good reputation (Gabrenya & Hwang, 1996). By comparison, *displaying* material possessions to indicate status and success is simpler and faster than exercising the principles established by Confucius. Hence, using observable consumption of material possessions as evidence of success and to enhance Face has become dominant in contemporary China. I therefore propose that consumption has emerged as a distinct component of Face in China, and that it can be conceptualised as ‘Consumption Face’. Consumption Face denotes:

the dynamic, invisible image of the social self. It is a sense one claims by one’s impression on others through consumption. It can be generated and enhanced by displaying wealth and social status that is implied by consumption in one’s social context, and maintained by conforming to others’ consumption patterns. It can also be lost by failing to do this, or failing to accord to others’ expectations of one’s consumption patterns.

I intend to detect and measure the influence of this claimed Face in contemporary China through the development and test of the Consumption Face influence (CFI) measurement.

CHAPTER FIVE: CONCEPTUALISATION OF CONSUMPTION FACE

After implementation of the Economic Reform and opening up to the world, and with the rapid introduction of Western values and goods into China, the country became a consumer society. Chinese people began to use consumption to define their individual success and to maintain their relationships with each other to meet their social needs. However, to help conceptualise this new concept of Consumption Face, the studies on Chinese consumption and marketing are limited. For example, when searching a combination of key words “Consumer”, “behaviour” and “China” in Google scholar, no more than 20 publications appear that are cited more than 100 times in last 10 years (and more than half are with regards to service, e-commerce or other topics irrelevant to this research). This is partly because the market changes in China have been in action for only about 30 years, and the research on Chinese consumer behaviour is in its infancy. For example, in China the first doctorate program in consumer behaviour was only set up and had the first group of candidates enrolled in 1999 (X. Yang, 2003). The modern consumption pattern in China has been mostly copied and imported from the West. Therefore, there is a lack of Chinese derived marketing theories and scientific insights about Chinese consumers. Through Chapters Two to Four, I have defined Consumption Face in China on the basis of mainly Chinese literature and understandings. As I addressed in introduction section 1.3 it is relevant and necessary to analyse CF from both Eastern and western eyes (the etic and emic approaches). In order to avoid the conceptualisation of CF as too emic, in this chapter I will review relevant literature from available Western viewpoints and theories; firstly, to give the conceptualisation more comprehensive and convincing support, and secondly, to use already well-understood academic language more likely to be understood by English language readers.

The first section, 5.1, will introduce the differences of cultural background between West and East, and in particular those that relate to China. Section 5.2 will review the related concepts in the West regarding social influence. Section 5.3, to narrow the scope to consumption, will review the role of consumption, the trend of globalisation and materialism as the background. In 5.4 I will review and discuss the relationship of social influence and consumption, which leads to section 5.5, the discussion of the consumption effects caused by social influence. In section 5.6, I compare the difference between Consumption Face and relevant Western concepts that have been reviewed, and in 5.7, I

then theoretically develop Consumption Face into a multi-dimensional concept, on the basis of a broad literature review.

The scope of my research: social value

This thesis considers Face as a social influence on consumption behaviour. It focuses on the “social meaning” of consumption to a consumer, not about its utilitarian value. Hence, the focus regarding consumption in this thesis is its social value, according to the value model of Sheth, Newman, and Gross (1991). The classifications of value in this model are foundational value, social value, emotional value, conditional value and epistemic value. Rokeach (1973) viewed these values as core motivations that are cognitive transformations of basic psychological needs.

5.1 The Background of Cultural Difference between the West and China

5.1.1 The East and the West: the ‘Tao’ and the ‘Logos’

The name of ‘East’ and ‘West’ refer to not only the geographical location, but rather to the two systems of civilisation. When the Chinese civilisation formed in about 500 BC on the basis of Confucius and *Lao tzu* (the founders of Confucianism and Taoism), it is generally believed that the fount of Western civilisation was also being formed in Greece by Socrates, Plato and Aristotle as well as other scholars simultaneously (Hobson, 2004; Meadows, 1953). These two systems are different from the very beginning, for example, in their worldviews: the implicit, dynamic *Tao* (the way; the core idea of Taoism. Refer to section 2.2.2) is considered the original gene in Chinese civilisation, and the explicit, persistent Logos is the counterpart in the Western civilisation (Longxi, 1985). It is helpful when reading this thesis to keep in mind that the East and the West are rooted in different backgrounds.

The basic human mechanisms of different societies are similar. People from different civilisation or societies behave in different ways because of the different environments of their situations. These situations include variations of culture, education, and the behaviour of others around them. Hence, a review of cultural background is a necessary part of my research. The comparison of backgrounds will provide different contexts so that readers are able to go into the appropriate context and to relate the phenomenon (for instance, the consumption phenomenon caused by Face desire) and its formation with appropriate links.

For example, even though concepts in China and in the West are formed by similar paths, the various contexts in which they develop have established their differences from the beginning of their origin. Otherwise, when using Western understanding and measurement developed in Western context to study traditions in China, such as group relationships and Face, it could be “a mistake to overly romanticize traditional cultures” (Ahuvia, 2002, p. 32).

Studies of human behaviour in different research fields use different perspectives (e.g. the anthropological, sociological and psychological perspectives), and this generates different explanations as well as concepts and terms. I will use relevant concepts from different fields to outline the general background of differences between the West and the East. However, it is too difficult to put them into a similar system, and it is beyond the scope of this research to do so. Hence, I will use a hierarchy constructed by Homer & Kahle (1988). This is the hierarchy of *Value-attitude-behaviour* and it provides a basis for me to put other concepts into perspective. I have drawn a figure to align these different concepts and models about cultural differences (see Figure 8).

5.1.2 High-self-monitoring and low-self-monitoring: function of attitude

In the area of functional theories about attitude, two functions of attitudes are highlighted by Snyder (1974, 1987) and DeBono (1987). These are high-self-monitoring and low-self-monitoring attitudes. High-self-monitoring serves a social-adjustive function: how one’s concern about one’s behaviour fits social circumstances (Bazzini & Shaffer, 1995). Low-self-monitoring serves a social expression function: a person does not attempt to mould their behaviour to fit situations, but expresses their central beliefs, attitudes, and values to others (DeBono, 1987; Katz, 1960; M. Snyder, Kenneth G. DeBono, 1985).

This self-monitoring theory is reflected in Aaker’s test of personality-versus-situation towards brands based on personality associations (1999). Self-congruity (people prefer brands associated with traits consistent with their own personality) is strong for low self-monitors, whereas situation congruity (where people tend to focus and rely on situational cues to gain approval and develop positive relationships, Schlender, 1981) is strong for the high self-monitors (Aaker, 1999). On the basis of these theories about personality and consumer psychology, in terms of luxury consumption, Bian and Forsythe (2012) concluded that people in individualistic cultures (like the U.S.A.) use the uniqueness of luxury brands to meet their social-expression aspirations as well as being consistent with their own personality. By comparison people in collectivistic cultures (like China) use luxuries to

symbolize social standing and to develop their social presentation attitude in order to gain approval from the other people they interact with.

Hence, when consumers have a high-self-monitoring as well as a social-adjustive attitude toward a product or a brand, like collectivistic Chinese consumers, they are motivated to consume certain goods to gain approval in social situations (Wilcox, Kim, & Sen, 2009). The social situations include interactions with strangers in public, and those within their social groups. According to the understanding of Aaker (1999), the products Chinese consume are not necessarily consistent with their personality traits but are used for social approval. Hence this conspicuous consumption can be another form of conformity in order to be approved by their social groups (see Figure 8).

5.1.3 Independent and interdependent: personality

Rokeach (1973) basically conceived personality as a system of values. In regard to personality traits, two selves are widely discussed and shown by research in several cultures. These traits are independent-self and interdependent-self (Gudykunst et al., 1996; Markus & Kitayama, 1991; Singelis, 1994). The independent self involves cognitions concerning individuals, which tend to be independent of the social context and situation e.g. “I am smart” (emphasises the independent “myself”). The interdependent self involves cognition concerning one’s relationships with others e.g. ‘I am a daughter’ (emphasises the interdependent relationship to define myself) (Greenwald & Pratkanis, 1984) (see the Figure 8).

5.1.4 Individualism and collectivism

When the model of collectivism and individualism was developed (Hofstede, 1980a; Triandis, 1995; Triandis, Leung, Villareal, & Clack, 1985; Wagner, 1995), it became a basic construct that was used when explaining cultural differences and related consumer behaviour. Individuals in the West were studied and findings showed that they tend to have a highly accessible independent self-construal where the awareness of their unique personality traits are high, as is their motivation to express their own distinct traits. By comparison in the East, particularly in East Asia, it was shown that people are depersonalised in group contexts, in their active expression of concern towards others, in aiming to maintain harmony with others, to be interdependent with in-groups members (family, tribe, nation, etc.) and to behave according to group norms in a mutual way

(Hofstede, 1980a; U. E. Kim, Triandis, Kâğıtçıbaşı, Choi, & Yoon, 1994; Kitayama, Markus, Matsumoto, & Norasakkunkit, 1997; Kwan, Bond, & Singelis, 1997; Yuki, 2003).

In endeavouring to understand Eastern and Western cultures, individualism versus collectivism is widely used in sociological and psychological research areas. In different research fields it is named differently. In a psychological dimension it is named allocentric versus idiocentric tendencies (Triandis et al., 1985). On a cultural level it is named cooperation versus individualistic dimensions (Mead, 1961). At the value level it is referred to as collateral vs individuality dimensions (Kluckhohn, 1961). This contrast of dimensions became applied widely when Hofstede (1980) used the terms of individualism versus collectivism (Triandis et al., 1985). China's cultural structure was considered to be collectivistic (Hofstede, 1980a; Triandis, 1989). In China, the importance of cohesion within groups is highly emphasised. The priority of group goals is normally placed over individual goals, while group norms are placed over individual interest and propensity or inclination. In China, people's personality is interdependent and people's behaviour is shaped more by group norms and how others behave (see the Figure 8).

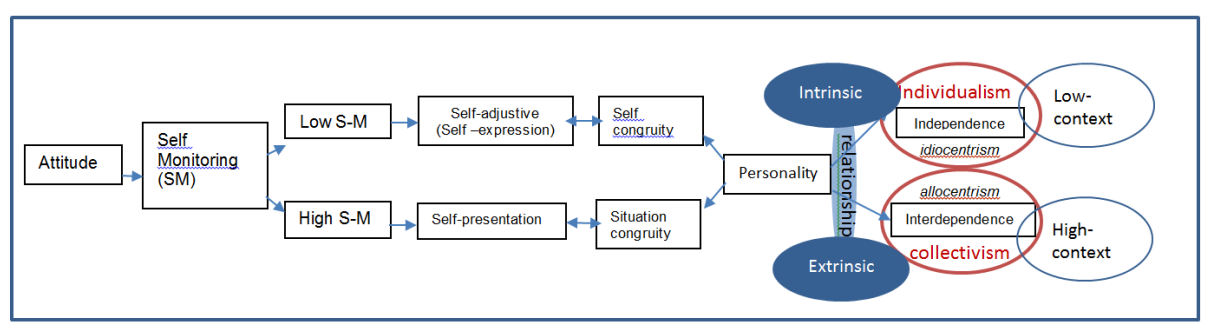


Figure 8: The Cultural Background Difference from Different Perspectives

5.1.5 High-context and low-context

High-context and low-context are the terms initially used in anthropology to refer to a tendency of cultures regarding communication (Hall, 1976). This concept has been used in other subject areas including marketing (D. Kim et al., 1998). It is used to describe the extent to which similar backgrounds, similar experiences and expectations influence people in their communication. The choice of communication styles shows whether a culture will cater for in-groups. In a higher-context culture, many things are left unsaid and the culture, by its existence, will automatically explain meanings. Within a culture people share the

same values and references so that many things do not need to be regularly communicated. In a high-context culture, a few words can communicate complicated messages in an effective way to an in-group but less effectively to people outside that group. The longer the history of a culture the more likely higher-context communication seems to be employed. Cultures where the group and community are valued over the individual tend to favour higher-context communication. By comparison, in low-context cultures, communication needs more explanation to be understood. Thus it is considered that low-context communication may be better suited in relating to individuals with different backgrounds. A low-context communicator needs to be much more explicit about the overall meaning of a communication and the meaning of a single word is of less importance (D. Kim et al., 1998; S. Kim & Ahn, 2014).

The ancient country of China is a high-context culture (D. Kim et al., 1998). The properties of non-spoken characteristics of certain meanings underneath materials or physical actions in Chinese culture have been discussed in section 4.5.4.1. A useful aspect of having meanings attached to materials or actions is that a communicator does not speak with a fear of being misunderstood. This is a value that comes from the teaching of Confucius and other old traditions of China.

5.1.6 Summary

Through the review of different concepts, models and theories that come from various research fields, we can see the emergence of a core idea. No matter how they are named, the main mutual essence of these models is the tension of relationships between people, the extent of connection within social groups, and the similarity of the nature of people's mutual background. China is a typical collectivistic society (Hofstede, 1984; Triandis et al., 1988) with a high-context culture (D. Kim et al., 1998) that pays close attention to the social context and to others aiming to fit themselves in (Situation Congruity; High-monitoring). Hence Chinese personalities tend to be interdependent as they care considerably about how others look at them, think of them, and react to them. As shown in Figure 8, Chinese are in the lower series of High-SM (see Figure 9). They pursue more extrinsic life goals to gain the approval of others. Thus an understanding of Chinese culture that relates to Chinese behaviour patterns will help to understand why relationships with other people are so important to Chinese. In Chinese culture, one cannot really stand by oneself without anticipating the reactions of other people. In China, in the Confucian human-centred

philosophy man cannot exist alone; all action must be in a form of interaction between man and man." (S. Hu, 1996, p. 283)

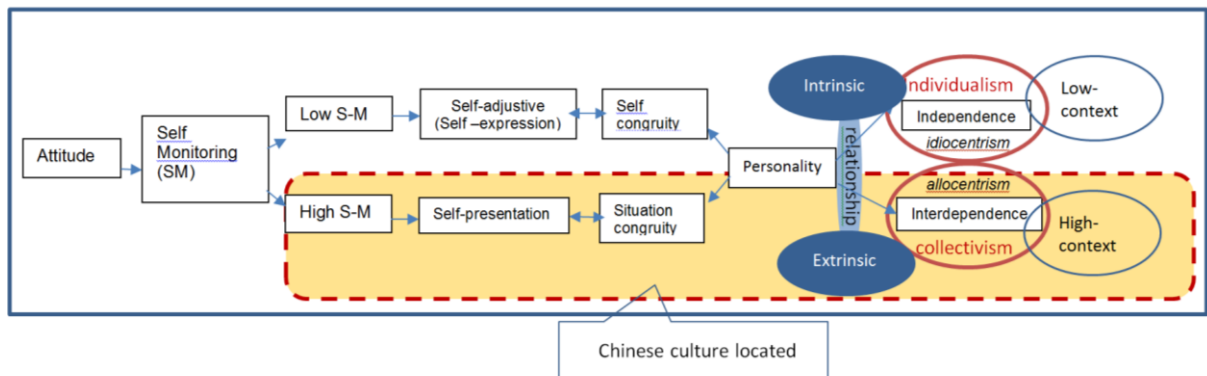


Figure 9: Chinese Cultural Location in the Cultural Background Difference Map

5.2 Related Concepts in the West

5.2.1 Social influence

Since the formation of societies in which human beings live, by definition, individuals cannot be absolute individuals. Relationships between people inevitably exist in all societies. The influence of others becomes a determinant of the behaviour of individuals (Bearden, Netemeyer, & Teel, 1989). I review social influence as published in Western literature in this section. As the role of social influence in the West is similar to the influence of Face in China, I will compare both in my discussion.

The theoretical position of CF in behaviour models

Consumption Face is in a social norms scope rather than individual attitude scope in basic behavioural theory. Take the basic and dominant model, Theory of Reasoned Action developed by (Ajzen & Fishbein, 1980). Put in consumers' context, one's purchase intention and behaviour are determined by attitudes, the individual's evaluation of the consumption behaviour, and subjective norms, the perceived social pressure towards the behaviour (Kokkinaki, 1999). Further, the "subjective norms" comprise social norms and also the motivation of conformity to the social group (see Figure 10). As I reviewed in the social norms section 2.4, Face is an other-oriented behavioural factor which is initiated, created, enhanced, maintained and lost according to social norms and others' anticipation of the

individual in social interaction (H. c. Chang & Holt, 1994; Ho, 1976; H. C. Hu, 1944). Consumption Face therefore deserves a position within subjective norms. Further, this Theory of Reasoned Action has been modified and extended, e.g. Theory of Planned Behaviour (Ajzen, 1985, 1991), and added past behaviour as an indirect influential factor (e.g., Bagozzi and Kimmel (1995)). This thesis will not discuss Theory of Reasoned Action in great detail; rather, it takes Theory of Reasoned Action as a basic model to explain the position of Consumption Face in behaviour models. This illustration may provide a better understanding of Consumption Face with regards to the general behavioural process.

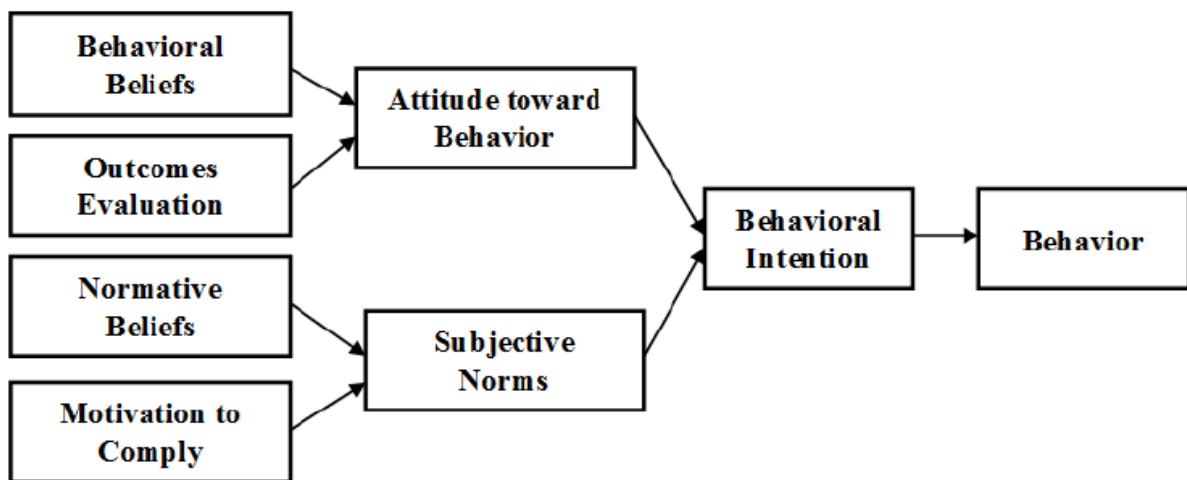


Figure 10: Theory of Reasoned Action by Fishbein and Ajzen, 1980

Face is a type of social influence: an individual expression of a person’s self which is reflected on and observed by others. One’s Face cannot exist in a social context without the presence of others. Research on social influence is concerned with the similarities and differences between people in their perceptions, cognitions, feelings and actions, and how each person relates to others and influences them interactively (Turner, 1991).

Social influence vs. Interpersonal influence

Social influence comprises the process whereby people influence the feelings, thoughts and behaviour of other people (Turner, 1991). It is relevant to point out the difference between social influence and interpersonal influence. Many studies use the term “interpersonal influence” to describe “social influence”. However, interpersonal influence refers more to the influence that occurs between two persons, while social influence focuses on influence

amongst a group of people. The setting of “social influence” in this thesis is to see a person in a social context with other people and not just a communication between only two parties.

5.2.2 Why social influence matters

Since human beings began living together with the demands of cooperation for hunting and farming, group security and other issues (e.g., to avoid loneliness) they have formed and shared social values. Values are beliefs, tendencies, and choices (Hofstede, 1980b; Smelser, 1965). Values are the criteria for determining what is good and what is bad (Gullestrup, 2006). Such values operate on behaviour in our daily life. The social norms’ similarities express the prescriptive rule or social value (Turner, 1991). A social norm is a generally accepted way of thinking, feeling or behaving that is expected because it is perceived as the right and proper thing to do.

Group members in particular communities who conform to social norms tend to be socially approved of, whereas those who do not conform tend to be disapproved of. In extreme cases people who do not conform may be punished and/or be excluded from the group. The longer people live in one place, the more important social norms become and the more seriously punishment is inflicted on deviants. Hence in an ancient country like China, where dwellers have lived in the same places for many generations over hundreds of years, they dare less to take social risks or break the social norms of their societies (Nevis, 1982). Social norms are the invisible rules that tightly control people’s lives and make them less likely to have individual and independent thinking. Social influence matters, because what others do and others’ opinions become the criteria telling one what are the good and right things to do. The cost of the risk of doing something different weakens people’s motivation to develop their own thinking and interests, i.e., they conform.

Sanctions on deviants: high cost on reputation and economy

Social influence refers to the value of conformity of agreeing with the majority of others (Jahoda, 1959). From an economic point of view, economic rewards favour those who follow social norms (Akerlof, 1976, 1980). Disobedience of the social norms results in significant loss of reputation, and possibly high financial cost (Akerlof, 1980). People in collectivistic societies are monitored more and compared more frequently so there is more information available about them by which they can be easily criticised by others. Being a deviant in highly monitored societies will hurt reputation, and as deviants, they are

considered 'abnormal'. As a result, being branded as an abnormal deviant will impact on other aspects of a person's social behaviour. For example, in China, in the social relationship network, *guanxi*, people will not accept a deviant into their network and will not have *renqing* interaction (social capital) with them. People will treat them as belonging to an out-group. The cost of being a deviant is very high in collectivistic societies. Following the norms and customs, and to act as others do, is a safe way of living.

5.2.3 Susceptibility to normative influence (SNI)

Early studies of social influence in sociology have defined two types of social influence: informational social influence and normative social influence (Deutsch & Gerard, 1955). Informational social influence refers more to the information that is being transferred between people about the true state of the environment. Normative social influence is more about conformity in that it refers more to the influence to conform to the expectations of others (Burnkrant & Cousineau, 1975; Deutsch & Gerard, 1955). In this sense, the particular social influence that is talked about most in sociology is the normative social influence. The social influence this thesis studies is not about the information and knowledge of a commodity or commodities. Instead, it is about the relationship between people's behaviour, their influence upon each other regarding social approval, and external rewards and punishment. Hence, susceptibility to normative influences (SNI) is more relevant and also a core idea in this area of discussion.

Bearden et al. (1989) defined SNI as:

“Consumer susceptibility to interpersonal influence is defined as the need to identify or enhance one's image with significant others through the acquisition and use of products and brands, the willingness to conform to the expectations of others regarding purchase decisions, and/or the tendency to learn about products and services by observing others and/or seeking information from others” (p479).

The first meaning of Bearden's definition above refers to conformity with others through consumption, and its second meaning concerns the acquisition of information about products and services. Wooten and Reed II (2004) address the self-protection of SNI, by which consumers conform to others to avoid social disapproval and losses.

Research shows in China, SNI as a social value positively relates to the attitude to consumption, especially towards luxury brands (G. Li, Li, & Kambele, 2012; Zhan & He, 2011).

5.2.4 The sub-scales of SNI and the reference group influence

To address the different types of social influence in different situations, C. W. Park and Lessig (1977) identified three types of social influence (they use the name ‘interpersonal influence’ in their paper). These are value-expressive, utilitarian influences and informational influence (Bearden & Etzel, 1982; Bearden et al., 1989). The differences between these three types refer to their different attributes. Informational influence emphasises the process of acquisition of new knowledge relevant to the purchase of targeted goods, including how one learns knowledge from others including direct advice and observation. Value-expressive influence emphasises the process of identification, through adaptation of a behaviour or an opinion of others based on the association between the behaviour and the satisfaction of “self- defined relationships” (Bearden et al., 1989, p. 474; C. W. Park & Lessig, 1977). It fulfils the desire of enhancing one’s self-image by association with a reference group. e.g., conspicuous consumption is relevant to the aspect of value-expressive influence. The utilitarian influence emphasises the desire to comply with others and to meet others’ expectations through consumption in order to achieve rewards and avoid punishment. While value-expressive influence occurs in the process of identification, utilitarian influence occurs in the process of compliance. Further informational influence occurs in the process of internalisation (Kelman, 1961).

Bearden and Etzel (1982) conceptualised “reference group influence” on purchase decisions with reference to both product category and brand. Further, Bearden and his colleagues reworded and tested the measurement of the three dimensions of SNI that Park and Lessig (1977) developed, to make the measuring statements not too “relevant”, not toward too “specific” situations and to increase the reliability of such measurement. In that study, Bearden and his colleagues combined the value expression dimension and the utilitarian dimension into one. They then re-developed a two-dimensional measure for SNI: informational influence and normative influence.

To sum up, the concept of customer SNI highlights the conformity by which customers use consumption to associate with others for their identity and social approval, as well as the acquisition of information about the commodity itself. SNI includes both social value and

functional value. The reference group influence addresses the importance of “significant others”.

5.2.5 External and interpersonal Values highly relate to SNI

Values are a type of social cognition and beliefs that allow entry into an environment, and are guidelines to lead people to select situations to enter into and to deal with in each situation (Kahle, 1983; Rokeach, 1973). Social value is the utility gained from an association with social groups (Sheth et al., 1991). Hence, a difference in values will influence people’s susceptibility to social influence, and will depend on an individual’s degree of self value, e.g., self-esteem.

Homer and Kahle (1988) separate values into the sub-dimensions of internal value, external value and interpersonal value. Batra, Homer, and Kahle (2001) further found that external values (sense of belonging, being well-respected, security, and warm relationships) and interpersonal values (fun/excitement) have significant relationships with SNI, whereas internal values (self-fulfilment, sense of accomplishment, self-respect) do not. This finding reinforces the understanding that interpersonal influences focus on the state of others rather than the individual self. The interpersonal influence needs the presence of others in order to “maintain surveillance, mediate valued rewards, or compose sanctions” (Burnkrant & Cousineau, 1975).

This explanation can be used to explain aspects of Chinese behaviour. In the Chinese collectivist cultural environment where the external relationship is highly emphasised, the external attributes of values (i.e. a sense of belonging to a group, warm relationships with others, etc.) will be more focused. This makes Chinese people more susceptible to normative influences than people in individualistic cultures. The research of Zhan and He (2011) confirmed that SNI has positive relationships with Chinese mid-class consumers’ consumption of luxury brands in their pursuit of social conformity.

5.2.6 Chinese are more susceptible to normative influences

Some research indicates that in collectivistic societies people are more susceptible to normative influences than in individualistic societies (Y. Huang, Shi, & Wang, 2012; Shukla, 2011). SNI, as well as Social value, are positively related to customer satisfaction and purchase intentions in China (Y. Wang, Lo, Chi, & Yang, 2004; Zhan & He, 2011).

This might be due to the nature of consumers in collectivistic societies that Chinese tend to adapt fitting-in behaviour including that which determines consumption. When the “significant others” play a vital role, they need to adjust their consumption behaviour in the social context to conform to the social approval of others to avoid being regarded as a deviant. Thus their consumption is highly dependent on societal acceptance (Shukla, 2011; Trompenaars & Hampden-Turner, 1998). Regarding the information acquisition demand of SNI (see Bearden’s definition (1989)), in China’s collectivist culture that highly emphasises connection and relationship (Triandis, 1995), information about products and services flows more easily between in-group members, and individual experiences are more likely to be shared within social groups. Altogether, with information acquisition and social conformity influence, Chinese are understood to be more willing to be influenced by SNI.

5.2.7 Summary

The interpersonal influence can be analysed by considering multi-dimensional, informational and normative influences (including value-expressive and utilitarian influences). With regard to social value in the consumer research field, most studies focus on normative influence. Normative influence can be defined as the tendency to conform to the expectation of others (Bearden et al., 1989; Burnkrant & Cousineau, 1975). To be more precise, Bearden et al.’s definition of consumers’ SNI regarding the normative influence can be further divided into: (1) willingness to conform to the expectation of others regarding purchase decisions, (2) the need to be identified, or (3) the need to enhance one’s image with others through possessions (Bearden et al., 1989). The susceptibility to normative influence varies according to a person’s personality (confidence, self-esteem), their cultural background (e.g. how significant the others’ anticipation of them, to what extent they consider the position of group to individual, and the cost of punishment, of being disapproved of, etc.) and also to the target goods or brands they are seeking. The key factor in the formation of SNI is the role of others in certain social contexts.

The SNI indicates how much one desires to achieve approval and gain reward, and how much one fears being subjected to social disapproval. Hence, it is highly related to the importance of interpersonal relationships in particular cultures. Studies have found that in collectivistic societies like India and China, people are more susceptible to normative influence. This is because of the nature of “fitting-in behaviours” in such collectivistic cultures. Consumption within a culture is highly dependent on social cues and societal

acceptance because of the significance of the presence of others (Shukla, 2011; Trompenaars & Hampden-Turner, 1998). However, the influence of others present in Chinese social groups presents itself in a particular form regarding Face and has more meaning and purpose. I will compare the Consumption Face and these related concepts in section 5.6.

5.3 The Role of Consumption, Materialism and Globalisation

Before moving on to discussion of social influences on consumption, I will consider the role of consumption in the current context of globalisation and materialism.

5.3.1 The general context: Globalisation

Globalisation is inexorably ongoing. With innovations in transportation and mass media including the internet, increased speed of communication is making the world a global village (McLuhan & Powers, 1989). For the sake of people's well-being, globalisation is necessary not only for individuals, but also for each country in positive ways, by fostering international trade and cooperation in technology, automation, medical sciences etc. Moreover, there are also important agents of multinational consumer goods and services corporations (Belk, 1996). They function to create an integrated commercial world.

As a result, the integration sparked by globalisation tends to homogenise all societies. However, although the trend is for culture to be "redesigned, repackaged, sanitized, and trivialized in the process, it is not being totally homogenized" (Belk, 1996, p. 32). The same phenomena and the same things in different countries do not necessarily have the same cultural meanings. Cultures transform global variation into a unique system of their own local cultural meaning (Belk, 1996).

What about China?

With Market Reforms China was suddenly opened to the world and thrust into a changing global environment. This was after China had dealt with and overcome some rapid internal changes by itself. The changes were too quick and too large for this ancient country and its culture to adjust to comprehensively (Srinivas & Steven, 2010).

After China opened its door to the world, there was an influx of global products into China. Further, the second wave of openness began with Deng's speeches given on his southern

tour of China. When China joined the WTO (World Trade Organisation) in 2001, the big influx of global goods into China occurred and Chinese became more educated about commercialisation, became more rationalised, and became more likely to enter an international free trade market.

5.3.2 Materialism

Materialism was originally a philosophical notion. The materialism discussed here is economic materialism, and defined as the excessive desire to acquire and consume material goods as a way to achieve happiness and gain the affluence needed to obtain a better social status (Belk, 1984).

The idea of materialism refers to the role of material possessions in one's life. Materialism can be considered as a value, "a set of centrally held beliefs about the importance of possessions in one's life" as a way to happiness (Richins & Dawson, 1992, p. 308). It is an expression of the importance "a consumer attaches to worldly possessions" (Belk, 1985). It is related to one's goal system that seeks external approval and rewards (Kasser & Ryan, 1993). Taking materialism as cognitive beliefs, Richins and Dawson (1992) propose three dimensions of materialism: acquisition centrality, acquisition as the pursuit of happiness, and possession-defined success. Materialism is also considered to be a personality-like trait, as the materialist regards possessions as particularly essential to their identity (Belk, 1984, 1985). And from the personality trait perspective, Belk (1984) measures materialism by the criteria of possessiveness, non-generosity and envy.

5.3.3 Why Materialism?

In materialism, possessions are believed to provide the "greatest sources of satisfaction and dissatisfaction" (Belk, 1985). Why and how would they, or should they, provide satisfaction? The TMT (Terror Management Theory) gives materialism an explanation from another angle:

"The acquisition of wealth represents a culturally sanctioned symbolic testimony to one's value, with the consequent assurance of safety and security in this life and figurative immortality thereafter"(Arndt, Solomon, Kasser, & Sheldon, 2004, p. 203).

This theory considers materialism from the viewpoint that people acquire wealth because of their fear of death. This awareness of death impacts on materialism and consumers' purchase decisions. Through possession, consumers maintain their self-esteem, and defend "those cultural beliefs that imbue the world with meaning" (Arndt et al., 2004, p. 208). Using possessions, people achieve a sense of existence, and also eliminate existential anxiety. Hence, people acquire material possessions not only for their basic functional utilitarian values, but also for the social values or their hedonic value, and also for the process of acquisition actualisation (i.e., more than just possession). This is dependent on an individual's life goals and the meaning of possessions in the pursuit of goals.

Here, the statement that the acquisition of wealth assures safety and security may explain what I discussed in section 4.5.2.1 that after unstable societal changes, people put effort into achieving more financial success to gain a sense of security.

5.3.4 Materialism in China

Under the influence of globalisation, including globalised consumption promoted by international companies, (with the help of technological developments that facilitate information sharing), people in different places around the world increasingly share the same material lifestyle and acquire possessions that symbolise prosperity (Solomon, 2004). China is not immune from these influences. There is substantial research that points to the Chinese people having quickly accepted the belief of materialism as a new way of self-actualisation and achieving their success (K. Chan et al., 2006; Srinivas & Steven, 2010). It has been suggested that Chinese have become even more materialistic than Americans (Eastman, Fredenberger, Campbell, & Calvert, 1997; Podoshen et al., 2011).

5.3.5 The role of Consumption

5.3.5.1 Intrinsic and Extrinsic life goals

Along with the self-determination theory (R. M. Ryan & Deci, 2000), Kasser and Ryan (1996) defined intrinsic and extrinsic life goals. The intrinsic goal of personal growth directly meets basic human psychological needs, and it is conducive to an individual's mental health. For example, personal growth, close personal relationships, and making a social contribution, are aimed at self-actualisation (Kasser & Ryan, 1996). These goals are called intrinsic because they satisfy the individual, and do not depend on evaluations by others. In contrast, extrinsic goals, such as acquiring wealth and social recognition, are

aimed to a significant extent at increasing one's esteem in the eyes of others. Three other goals are classified as being extrinsic goals: financial success (money), social recognition (fame), and appealing appearance (image). These goals entail pursuing external approval and rewards, and involve others to judge their achievement.

Consumption is more relevant to the extrinsic life goal. It is about wealth acquisition, use of consumption as a tool to gain social recognition and presentation of the value to others. It matters in relationships with others.

5.3.5.2 The role of consumption

Possession of materials can act as signals of identity (Berger & Ward, 2010; Douglas, 1979; Goffman, 1973; Veblen, 1924; M. Weber, 1978). Consumption is a way people use to define self (Belk, 1988; McLntyre, 1992). In a consumer society people share the same identity – they may no longer be a citizen or worker, but instead become a consumer (Trigg, 2001).

Because of the symbolic nature of consumption (Levy, 1959), people consume to signal their identity when they communicate with others (Douglas, 1979; Holt, 1995), and also use consumption as a clue to identify others and their social status (Belk et al., 1982; Fussell, 1992; Holt, 1998). Also through consumption, people build up social boundaries between their social groups (Bourdieu, 2000). Additionally, consumption is the means by which people access social networks (Kanter, 1977).

Because of the social value of consumption of materials and the role of consumption in identifying individual and group social recognition and social status, materialism and the social value and role of consumption have become increasingly important. Hence, consumption in modern society is not only the means of consumption itself. This is especially the situation for the younger generations who have grown up in a commercialised environment.

5.3.6 Summary

Materialism and customer satisfaction have become the criteria for determining and defining success and goodness (Belk, 1985; Richins & Dawson, 1992). When commodities and brands are in sufficient supply in every market around the world, when fashion travels globally at same time as people have increasing disposable money, and when more and

more people believe possessions are the path to happiness and achievement of social approval, the social value of consumption becomes significantly prevalent both in the West, and in the relatively recently opened China. Hence, in the next section I will review how the social value of consumption works.

5.4 Social Influence and Consumption: Social Status matters

Until the end of the 19th century, it was generally considered that the law of supply and demand determined consumption. Consumers' spending decisions occurred in isolation and independently of other participants in the market (Coelho & McClure, 1993). Thorstein Veblen's book, "the Theory of the Leisure Class" (1924) was a milestone in understanding social values and consumption. In his theory Veblen identified that when society was stratified, the higher social-classes, by consuming over-priced brands and services perceived to be of better quality, signalled their social class and status. In that case, the value of the products and the higher the class of service obtained is beyond the goods' utilitarian value. Some aspects of human behaviour are a way of proclaiming social rank. One aspect is that people use products to signal meanings beyond their functional value.

Veblen uses as an example the popularity of walking sticks with men during the late 19th century. Men carried walking sticks around not necessarily because there was a physical requirement to do so. They carried the sticks to show that their hands were busy, leaving no room for manual labour and the walking stick signalled that the stick carrier was not a manual labourer. "The walking stick serves the purpose of advertising that the bearer's hands are employed otherwise than in useful effort, and it therefore has utility as an evidence of leisure" (p265). A half century later, Leibenstein (1950) used some economic terms to highlight the important external facets of utility, i.e. utility derived due to factors other than the qualities inherent in the product. The values the commodity provides go beyond its functional value.

He explained that the value consumers derive from certain products is enhanced or decreased according to (1) the good's price level or (2) when other consumers take some form of action related to the product that acts to decrease or increase its consumption. The first derivative, the good's price level, reflects Veblen's theory, and this price-oriented value is called the Veblen effect in later academic studies (Leibenstein, 1950).

5.4.1 Status seeking is an innate motive in all societies

Status seeking is a pervasive innately evolved trait continuing from the world of animals to human beings. From a sociobiological perspective, status seeking is positively related to survival and evolution. Higher status beings have higher reproduction rates and enhanced survival. “Evolutionary forces have had millennia to shape humanity into a race of status seekers” (Coelho & McClure, 1993). Some social behaviours are a way of proclaiming rank (Veblen, 1924). This pattern of behaviour also explains the purpose of positional goods in that they convey distinction between various ranks. Positional goods have to be limited since the more people who claim them the less distinction they confer. Also positional goods, like fashion, need to be widely approved. Adam Smith defined vanity by stating it as being “founded upon the belief of our being the object of attention and approbation” (A. Smith, 1976, p. 79). This definition extends to the desire of vanity connoting the preference of status.

5.4.2 Status and prestige seeking behaviour by consumption impacts on consumption levels

Vigneron and Johnson (1999) constructed a prestige seeking model to explain conspicuous consumption. No matter what name it is given, prestige seeking or status seeking is the motivation, and conspicuous consumption is the operationalised action.

Given that status seeking is pervasive, human cultures have developed effective signals of status. Take fashion as an example. When a new thing or a style emerges, people will follow it if they believe, or are led to believe, that it is trendy. Once a body of people have followed within a short time, this item of fashion is established.

Why do people fancy a new fashion trend? One reason is to catch or keep up with others. Another reason is that the newness of a fashion provides status. Following a fashion is a way of associating with implied status. For example wearing an appropriate tie or carrying a walking stick can imply status. As another example of status implied by an object is the purchase pattern of Stephen Hawking’s book, “A Brief History of Time”. It sold more than 1.1 million hard copies even though no more than 1% of the buyers understand what the book is about (Becker, 1991). Its acquisition connotes higher status and this is a sign that makes it fashionable to possess the book. Becoming fashionable is a way of status seeking. “Fashion goods signal status” (Coelho & McClure, 1993, p. 600).

From sociobiological and evolutionary perspectives, there is strong evidence that there is an innate drive for status among humans. This drive is fundamental to the existence of fashion. Becoming fashionable also represents the nature of conformity, and this drive is fundamental to the purchase of mass consumer goods. This can be seen as a bandwagon effect in that people consume not so much for functional values but more for non-functional values that signal their social status. I will review non-functional value and effects next.

5.5 Non-functional Value: Veblen effect and Bandwagon effect

5.5.1 Veblen effect

The Veblen effect is named after Thorstein Veblen's book, "The Theory of the Leisure Class". The Veblen effect refers to the extent to which the demand for a consumer item is increased because it has a higher rather than a lower price (Leibenstein, 1950). This effect leads to people pursuing and purchasing higher priced goods and brands, as they are perceived to be of higher quality and also indicate the purchaser's economic strength. This relates to wealth being an indicator of high social standing in many cultures. The Veblen effect is often used to refer to the phenomenon of conspicuous consumption. The key factor of the Veblen effect is the *price* of the commodity.

5.5.2 Bandwagon effect

The Bandwagon effect, or Bandwagon consumption behaviour is frequently used in research on luxury related consumption and behaviour (Kastanakis & Balabanis, 2011). However, initially the Bandwagon effect did not refer to luxury consumption. Leibenstein defines it as "the extent to which the demand for a commodity is increased due to the fact that others are also consuming the same commodity" (1950, p189). The Bandwagon effect shows people's desire to purchase a product or brand in order to conform to people whom they wish to be associated with, to appear to be "one of the boys" or for that matter, girls.

From the perspective of an individual consumer, the extent of the Bandwagon effect on an individual is determined by how much that person cares about their association with others. Kastanakis and Balabanis (2011) assessed the relationship between this and self-conception, and found that people with interdependent characteristics are more willing to be impacted by the Bandwagon effect. They are more influenced by it than people with independent

personalities. Chinese are considered to have interdependent personalities, so the Bandwagon effect is considered to be likely to occur and spread in China.

The Bandwagon effect reflects the feature of conformity on consumption. This relates to the use of consumption to conform to others. In China such conformity behaviour relates to gaining Face and avoiding losing it. This conformity is one of the traits of Consumption Face.

5.5.3 Conspicuous Consumption

Conspicuous consumption usually refers to consumption where money is spent on acquiring luxury goods, brands and services for the purpose of publicly displaying economic power. In this sense, Veblen's theory is normally considered the explanation of conspicuous consumption. At times conspicuous consumption has also been named luxury consumption and the two names are often interchanged. I use luxury consumption more as reference to the phenomenon, and conspicuous consumption to explain the motivation for it. The Veblen and Bandwagon effects are often used as concepts to explain the conspicuous consumption phenomenon. This is because of the uncertainty as to whether conspicuous consumption is a conscious or an unconscious action. It relates to the alternatives of whether conspicuous consumption behaviour occurs consciously to draw attention from others or unconsciously causes imitation by others. Trigg (2001) argued that conspicuous consumption, even for the purpose of conformity, is in the West more likely to be an unconscious act that is just living up to the standard level of decency of a social class. If so, conspicuous consumption of this kind is not conspicuous. Is this conspicuousness just a phenomenon applicable to particular social classes?

5.5.3.1 Is Conspicuous consumption conscious or unconscious

Veblen's theory, that high priced-oriented consumption tends to be considered the motivation for conspicuous consumption, has the sense that such consumption behaviour is signalling to others the users' social standing. Consequently it has to be a conscious intention. However, Bourdieu's theory argues differently. He clearly states:

“Many of the expenditures that are called conspicuous are in no way a squandering and, as well as being obligatory elements in a certain style of life, they are very often—like engagement parties—an excellent investment in social capital.” (Bourdieu, 2000, p. 375)

This raises the question of what conspicuous consumption means to different people. In general terms, society can be divided into upper, middle and working classes (Trigg, 2001). In Bourdieu's theory, the working class do not intend to be conspicuous as what they need is necessary, practical and useful for living (Bourdieu, 2000). Hence, conspicuous consumption in Bourdieu's theory is meant to refer to the middle class. The middle class have the motivation to distinguish themselves from the working class (lower class), however they cannot reach the upper class due to their lack of cultural capital, education or breeding (Bourdieu, 1986, 2000). Hence, material goods might be the means of making up some of that gap, in the perception of others.

5.5.4 Summary

In this section I have reviewed social influences on consumption, mainly referring to the typical non-functional values, the Veblen effect, Bandwagon effect and conspicuous consumption. Including SNI considered in a previous section, all of these concepts are relevant to the concept of Consumption Face. Overall, they all indicate that social influences are important in determining consumption behaviour.

5.6 The Difference between Consumption Face and other Western concepts

If we use the concept of Consumption Face that I defined to explain the demand for consumption caused by social pressure and group influence, Consumption Face might be considered similar to the concepts I have just reviewed above, such as conspicuous consumption or the Veblen effect (Veblen, 1924), Bandwagon effect (Leibenstein, 1950), and the important role of significant others which, in turn, seems similar to SNI or another name of Group Reference Influence (Bearden & Etzel, 1982). Yet while Consumption Face is related it is conceptually distinct. In this section I will compare Consumption Face to these well-established and well-studied Western concepts. The aim is to further define Consumption Face by outlining the differences with other similar ideas.

5.6.1 Conspicuous consumption vs Consumption Face

Conspicuous consumption (Veblen, 1924) is not exactly the same as status consumption (Packard, 1961). However, both refer to expenditure (mainly on luxury and status symbols) for purely honorific purposes to inflate the ego or improve one's social standing by ostentatious display of economic power (Eastman, Goldsmith, & Flynn, 1999; Packard, 1961; Veblen, 1924). Conspicuous consumption and Consumption Face do have some

features in common. Firstly, both consumption concepts need “the others” to be present; secondly, both aim at inflating an individual’s ego. However, much of Chinese Face-related consumption is not aiming at “showing off”, but is instead a means of maintaining Face (J. J. Li & Su, 2007; N. Wong, Y. & Ahuvia, 1998). Thus, Face-related consumption is not necessarily related to luxuries. This prompts us to hypothesise that Consumption Face influences the consumption of necessity goods as well as luxuries. Secondly, the individual’s innate taste determines and orients Western conspicuous consumption (Bourdieu, 2000), while in China, many luxury purchases are not driven by buyers’ taste and interest, but by considerations of how to represent success (N. Wong, Y. & Ahuvia, 1998). This leads us to hypothesise that conspicuousness is likely to be one of the components of Consumption Face. Thirdly, the motive of both conspicuous consumption and status consumption is for showing off to others as well as satisfying one’s self, while the motive of Face-caused luxury consumption in China is mainly for showing off to others, and thus to get individual satisfaction if the showing-off impressed others as anticipated (Eastman et al., 1999). Fourthly, conspicuous consumption patterns “trickle around”, across upper, middle and lower classes. Such patterns do not only “trickle down” from upper class to lower class (Ramstad, 1998, p. 13; Veblen, 1924); they can also “trickle up” from the lowest social class to the upper class. This occurs, for instance, in the adoption of peasant dishes by the upper class because they think peasant dishes have high cultural capital (Bourdieu, 2000; Trigg, 2001, p. 185). In contrast, Face-related conspicuous consumption is mostly “trickle down”: Face-caused consumption is not about “taste”, but merely “emulation” of upper class images to build up the associations with aspirational groups and then enhance the impression on others (Ian & Min, 2009; W. S. Tsai et al., 2013; Wilcox et al., 2009; N. Wong, Y. & Ahuvia, 1998).

5.6.2 Reference group influence (and SNI) vs Consumption Face

As discussed in section 5.2.4, SNI is similar to the concept of reference group influence developed by Bearden and Etzel (1982). Because the significant role of “significance of others”, the name of ‘reference group influence’ has more direct referred meaning than SNI. Hence, I use the name of reference group influence to refer to SNI and reference group influence. In collectivistic Chinese society, people’s decision making is highly influenced by others, especially those within the in-group (G. Gao & Ting-Toomey, 1998; Triandis, 1995). The social factor of Face is other-oriented as it is created by impressions on others (Podoshen et al., 2011). This influential group factor is similar to the reference group influence (and SNI) in the West that I reviewed in section 5.2. The reference group influence is the influence one takes from a significant person or a group of people on purchase behaviour to reduce risk and achieve social approval (Bearden & Etzel, 1982;

Bearden et al., 1989). Reference group influence is considered a trait of conformity that helps people adjust to be the same as others (Hye-Jung, Nancy, & Kyung Sook, 2008). Conformity with one's social group is also one of the drives causing Face consumption (J. J. Li & Su, 2007). Hence, I conceptualise Social Group Conformity to be one of the components of Consumption Face. The meaning of conformity is quite similar in China and the West in the sense that both aim at uniformity, which is always a means of gaining approval from significant others (family and social groups) and of avoiding punishment (Bao et al., 2003; Kelman, 1961; M. J. Ryan & Bonfield, 1975). Willingness to conform in both Consumption Face and reference group influence expresses the same desire of identifying with significant others through the use of products and brands, and both express the willingness to conform to the expectations of others. However, speaking of these two concepts, Consumption Face is more complicated than reference group influence which is just one of the components of the former. Additionally, reference group influence is a moderating *influence* on an individual's decision making. However, the desire for conformity in Consumption Face is not just a moderating influence, but rather, hypothesised to dominate and one that can be the sole trigger for Chinese consumption (also see the comparison Table 5).

5.6.3 The Bandwagon effect versus Consumption Face

The Bandwagon effect increases demand for a commodity because of others have been consuming the same one (Leibenstein, 1950). Building on Veblen's theory, the Bandwagon effect emphasises the importance of other people's behaviour in one's social context. The Bandwagon effect also arises from the desire for conformity. When people intend to conform to the people they wish to be associated with and to appear to be "one of the boys" (Leibenstein, 1950, p. 189), then people follow the trend for a sense of safety. In particular, Bandwagon luxury consumption is positively related to the interdependent self-concept (Kastanakis & Balabanis, 2011), which emerges as a result of relying on others, as is common in collectivistic societies. This is consistent with W. S. Tsai et al. (2013)'s findings that show Chinese are more likely to buy Bandwagon brands than Americans. Unlike the reference group influence which focuses on one's reference group/s and membership (Charters & Newcomb, 1952; Turner, 1991), the Bandwagon effect emphasises the conformity with wider main trends (Long, Fox, & York, 2007). This leads us to hypothesise that "conformity with main trends" is another component of Consumption Face. Speaking of the differences, beside the conformity trait of the Bandwagon effect being one of the dimensions of Consumption Face, the Bandwagon effect in recent years has mainly been studied in the context of luxury consumption, while Consumption Face is hypothesised to exist in both luxury goods and necessity categories (see Table 5).

Table 5: The Differences Between Consumption Face and Other Relevant Concepts

Concepts	Conspicuous consumption (Veblen effect) & status consumption	Reference-group-influence (incl: SNI)	Bandwagon effect (BE)
Definitions	The expenditure made for purely honorific purposes to inflate the ego or symbolise superior status by ostentatious display of wealth (Veblen, 1934; Packard, 1961; Eastman, Goldsmith & Flynn, 1999)	The influence one takes from a significant person or a group of people on purchase behaviour to reduce risks and achieve social approval (Bearden & Etzel, 1982).	The effect by which the demand for a commodity is increased due to the fact that others are also consuming the same commodity (Leibenstein, 1950, p189)
Similarity to Consumption Face	<ol style="list-style-type: none"> Others are involved; For individual ego inflation 	<ol style="list-style-type: none"> Both aim at conformity to gain others' approval and to avoid punishment; Both express the willingness to identify with significant others 	Others' consumption behaviour matters to one's consumption motivation
Differences to Consumption Face	<ol style="list-style-type: none"> Some Face related consumption is not for "showing off", but maintaining Face (Li & Su, 2007); Face-caused conspicuous consumption is oriented by the intention to represent success, rather than an individual's taste & interest (Wong & Ahuvia, 1998); Consumption Face is for showing others as anticipated, rather than for satisfying the individual (Eastman, Goldsmith & Flynn, 1999). 	<ol style="list-style-type: none"> Consumption Face comprises more influential elements including reference group influence. Conformity to social group in China is not only a moderator but rather a mediator (i.e. it dominates) 	<ol style="list-style-type: none"> Consumption Face comprises BE; Consumption Face refers to both luxuries & necessities while BE refers more to luxury consumption

5.6.4 Summary

The concepts developed in the West are to a great extent similar to Consumption Face in China. However, even when taken together, they are not enough to fully explain the related market phenomena in China. Reviewing these well-established concepts helped me conceptualise Consumption Face theoretically. When I reviewed the literature on Face study, I noted that many of these authors noticed the existence of Face in China and have described Chinese Face. However, very few works describe exactly the Face that influences consumption specifically, with the exception of Su and Li's work on Face consumption (2007). Also, there is no well-rounded measurement for Consumption Face that influences Chinese consumption. In next section, I will develop the multi-dimensional concept of Consumption Face. Based on those multi-dimensions, I will further conduct the measurement for Consumption Face.

5.7 Theoretical Development of Consumption Face as a Multi-dimensional Concept

Chinese Consumption Face is not one of the Western concepts discussed previously such as Conspicuous consumption (Veblen effect), Group reference influence and the Bandwagon effect, while they all are social influences. Consumption Face is a phenomenon of China with Chinese influencers of social behaviour. Consumption Face is initiated by the desire to conform to society and one's social group. Consumption Face is a multi-dimensional concept embodying Chinese characteristics. To develop such a specific concept into a construct, the current study is inspired by an innovative work conducted by Li and Su in 2007, but also draws on Western concepts and other related writings. Li and Su's (2007) study pioneered a focus on some consumption patterns that are influenced by Face, which they conceptualise as "face consumption". Again, it is worth noting that their study was developed to explain *consumption*, not *Face* as the cause of it. In Li and Su's paper, three characteristics of Face consumption are summarised which help my initial conceptualisation: Obligation; Distinctiveness and Other-orientation. Based on the literature I reviewed, I revise these dimensions for my context.

Li and Su (2007) explain that the trait of Other-orientation is for establishing, maintaining and reinforcing relationships. Within the domain of consumption, this trait expresses itself in gift-giving and dinner parties, which refer in turn to the consumption practice

surrounding *renqing* Face as discussed in section 3.4.6 of this thesis. They are consumption practices aiming to maintain relationships caused by *renqing* Face, but not by Consumption Face, as I defined, because dinner parties and gift-giving are mainly not for individual ego inflation through impressing others. Hence I did not directly employ this trait of Other-orientation in my studies.

The remaining two traits: Obligation and Distinctiveness, are similar according to Li and Su's (2007) own argument. These two traits are both developed from the idea that Chinese have an obligation to conform to their social group, as well as to distinguish themselves from other social groups. These are two sides of one trait. It is similar to the Western concept of reference group influence that also emphasises conformity to one's "significant others" (Bearden & Etzel, 1982), which are one's social group(s). Hence, I name "Social Group-Distinctiveness" as one dimension of Consumption Face.

With regard to Obligation, I understand that Li and Su (2007) initially refer to the obligation to conform to the wider society, not limited to a social group only. This seems to reflect the Bandwagon effect: that people's intention to purchase tends to grow when increasing numbers of other people have purchased the same commodity (Leibenstein, 1950). With the increasing economic abilities of the individual, a person's Face consumption increases, making the Bandwagon effect more visible. However, the trend that makes consumers conform in China is not only led by the number of adopters, but also by models propagated by the media and by the authorities (e.g. the ideal citizen model promoted by propaganda (W. Tang, 2005). On a behavioural level, this conformity is embedded in Chinese characteristics (more refer to Chapter Two and Four). I refine the idea of Obligation to conform to another dimension: "Societal Conformity". Through this reformation and separation, I propose "Social Group-Distinctiveness" and "Societal Conformity" as two dimensions. However, these two dimensions are still not able to completely explain luxury consumption in China.

Even though Li and Su (2007) state that Face consumption differs from conspicuous consumption, many studies point to conspicuous consumption theory when reviewing luxury consumption research and literature in China (Fabinyi, 2012; Monkhouse et al., 2012; Podoshen et al., 2011; N. Wong, Y. & Ahuvia, 1998; Zhan & He, 2011). Their research illustrates that conspicuousness is associated with Face demand. “Face... is highly related to conspicuous consumption” (C. Wang & Lin, 2009, p. 401). I therefore add “conspicuousness” as the third dimension (see Figure 11). Now I will discuss each of the three dimensions.

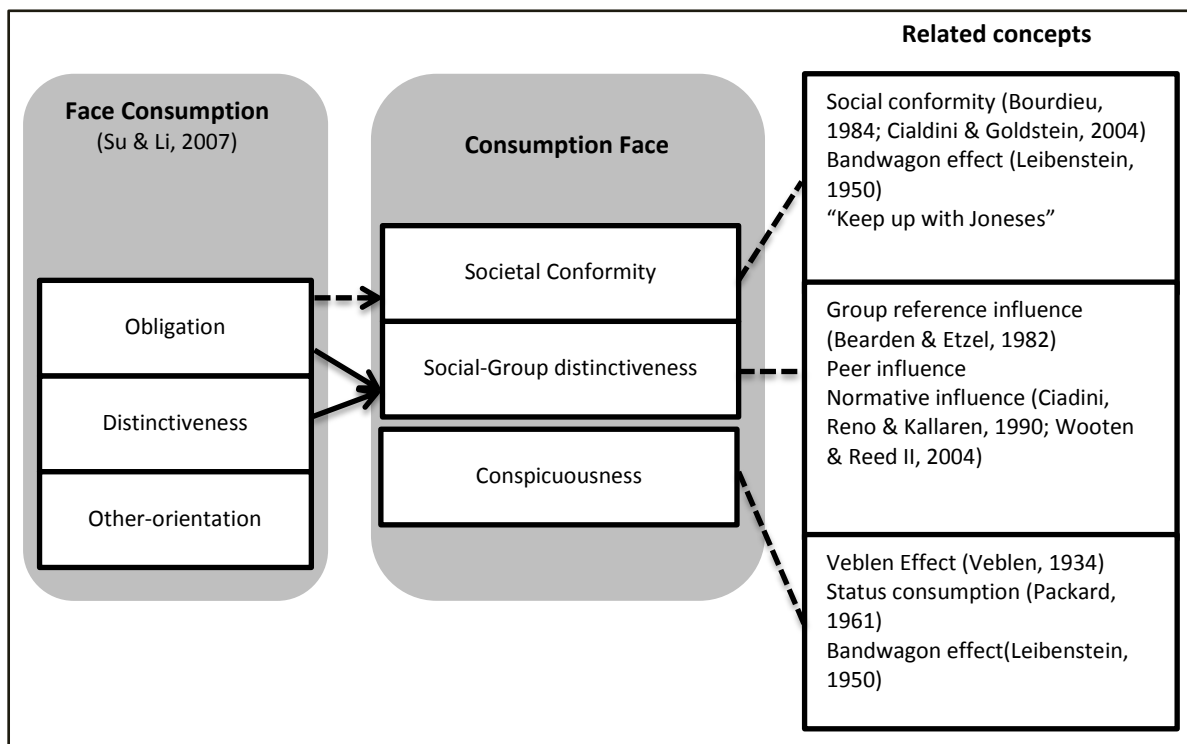


Figure 11: The Development Approach of CFI Dimensions

5.7.1 Dimension One: Societal Conformity

“Same is safe”. Very few Chinese dare to take the risk of standing out in any way (Nevis, 1983). The Confucian principle of “harmony” guides Chinese to avoid extreme behaviour and conflict to maintain harmonious relationships with people (Kacen & Lee, 2002). Typically, Chinese people have an interdependent personality and are thus more connected to, and less differentiated from, others. Their attitudes are characterised as high-monitoring and with a strong social adjustive function: people tend to be concerned with others’ anticipated response in order to fit their behaviour into the social environment (DeBono,

1987; Mark Snyder, 1987). In such an interpersonal cultural context, socially shared and consensual images of ideal persons largely guide people's daily presentation and practices (Markus & Kitayama, 1998; B. Zhang & Kim, 2013). In addition, as discussed in section 4.2.2, utmost loyalty to the country reinforces conformity to society. For decades, public conformity was a necessary principle and encouraged in this society (e.g. from Mao Zedong's time in the 1950s until the Cultural Revolution in late 1970s) (Nevis, 1983). This "thought reform" experience reinforced the Chinese self-monitored belief of conformity, consciously or unconsciously (Kelman, 1961, p. 62; Spence, 1999). Societal Conformity now works in consumption as well (C. Wang & Lin, 2009). As brilliant role players, mechanically performing their prescribed role-behaviour, Chinese quickly find and imitate a fashionable image to fit the trend, so as to avoid losing Face (Hung, Chan, & Tse, 2011; Tse, 1996). For example, when the iPhone became a status symbol of the wealthy elite (Chiang, 2013), it immediately became enormously popular in China: 23 million iPhones were sold in China in 2013 even though its price was six times that of local alternatives (Pfanner & Chen, 2013). Even many young migrant workers in big cities spent a month's salary on an iPhone (the Economist, 2014).

5.7.2 Dimension Two: Social Group-Distinctiveness

The above dimension of Societal Conformity refers to one's conformity with the mainstream of society. Also, Chinese take the prestige signal **the position occupied in social space**: they are conscious of their behaviour to match their position. Reconciled with conformity, this becomes a social distinctiveness: this is not personal identity, but rather an identity of the group with one's own social group. I name this as another attribute of Consumption Face, 'Social Group-Distinctiveness'. This term refers to conformity with one's social group(s). Chinese people's lives are strongly integrated within their own social group (in-group) and differ significantly from out-groups (Gabrenya & Hwang, 1996). Chinese people take the in-group's taste into consideration when they consume to conform to others as well as reduce disapproval. This type of consumption is not for their own individual social identity, but rather for bonding and identification with the group they belong to, as well as to demonstrate the social distance between different groups, in order to maintain Face within the group (Solomon, 1983; N. Wong, Y. & Ahuvia, 1998). This reminds us of the Western concept of group influence, particularly normative influence that defines people's willingness to conform to others' expectations to succeed in identifying or associating with significant others (Bearden et al., 1989; Ross, 1963; Wooten & Reed II,

2004) (for more details refer to section 5.2). The social group associations in Consumption Face here are more intensive in China than normative influences are in the West (Bagozzi, Wong, Abe, & Bergami, 2000; Bearden et al., 1989; Wooten & Reed II, 2004), owing to the strong coherence with the in-group in Chinese collectivistic society. In addition, adopting consumption patterns is a safe way of reinforcing one's association with the people who are in the same group, as goods are a proper means of maintaining in-group solidarity and of excluding other groups (Warner, 1960). In particular, in modern China, the population mobilisation generates a new context for people. Chinese now have more new social groups in which members tend to have less knowledge about each other, so that visible and meaningful consumption becomes more useful to identify others and make connections (for more discussion refer to section 4.5.1). In Jap's (2010) research, Chinese participants state clearly that they purchase global brands "not only to save their Face, but also to maintain their sound relationship (*guanxi*) with their in-groups" (Jap, 2010, p. 188).

5.7.3 Discussion of Societal Conformity and Social Group-Distinctiveness: both Fundamental to Chinese society

As discussed in the literature review in Chapter Two, Societal Conformity and Social Group-Distinctiveness are deeply embedded in Chinese culture. They are the ways Chinese live with others. As further reviewed in Chapter Four, these two factors remained in a new era in China, but in new forms. The desire to conform to main trends and to their social group members, form the principle of Chinese social behaviour. The two dimensions of Societal Conformity and Social Group-Distinctiveness overlap to some degree around conformity. Chinese consumers combine both to connect with others (including out-groups), and to distinguish themselves from out-groups through consumption. However, I separate them rather than integrate them in this paper: in the living memory of many, China used to be a centrally controlled society (Spence, 1999; W. Tang, 2005). To observe and emulate the mainstream was a must to Chinese. Until 1979, there was no advertising on Chinese media except government slogans and announcements (Tse et al., 1989), and the way that media performed was more paternalistic, rather than permissive, which was supported by the government (Robinson, 1981). Chinese tend to keep pace with broader society for a sense of safety and acceptance when they consume (Spence, 1999). Also, the distinction between in-group and out-group in this collectivistic culture is significant, much more so than in many other societies (Bond, 1991; H. c. Chang & Holt, 1991; Triandis, 1989). Chinese use consumption to conform and be associated with in-groups and distinguished

from out-groups. Therefore, it is meaningful to separate the two dimensions in order to structure Consumption Face, by classifying the different impacts from the public societal environment (the dimension of Societal Conformity) and the in-group (the dimension of Social Group Distinctiveness). Social Group-Distinctiveness is more practical to steer one's consumption mainly to avoid loss of Face, while Societal Conformity produces wider acceptance to maintain Face. One's Face is improved through one's following of, and adaption of, these two dimensions across space and time: the degree of enhancement of one's Face is determined by how extensively and how quickly one follows a new consumption style or fashion. Face is considered to be lost by not following others' consensual consumption.

5.7.4 Dimension Three: Conspicuousness

Conspicuousness is likely to be a dimension of Consumption Face in the sense that Chinese consumers signal their social status and wealth through consumption, especially of luxuries, to reflect success and enhance Face (N. Zhou & Belk, 2004). This matches the definition of "conspicuous consumption", i.e., as expenditures made to inflate the ego and improve social status through ostentatious display of wealth in order to impress others (Eastman et al., 1997; Veblen, 1924). As the "individual self" took over the obligation to the "group self" during the rapid societal changes in the last 30 years after China transformed into a market-oriented economy, Chinese now intend to maximise their individual Face through impressing others by consumption. This change can be viewed as the economic globalisation and the invasion of materialism (Hooper, 2000; Podoshen et al., 2011). Conspicuous consumption represents wealth and implies higher social status to Chinese by explicitly signalling an association with aspirational group, i.e. symbolising successful elites, in an attempt to be considered to be, and treated as if they are, in that group in order to enhance Face (Berger & Ward, 2010; Simmel, 1957; N. Wong, Y. & Ahuvia, 1998). Such desire for Consumption Face also drives the preference for, and prevalence of, counterfeits, for people who have the desire of maintaining or enhancing Face but cannot afford the price or do not want to pay the price (Y. J. Han, Nunes, & Dreze, 2010; Ian & Min, 2009; C. Wang & Lin, 2009).

Consumers' motivations to conform are *dependent* on others' consumption (conceptualised as Societal Conformity and Social Group-Distinctiveness in this study), while the motivation for conspicuous consumption is *independent* of others' consumption (Vigneron

& Johnson, 1999). The “Societal Conformity’ dimension aims to *maintain* Face, while the “Conspicuousness” dimension works more for *enhancing* Face.

However, one may be confused here by how conformity coexists with conspicuousness in one concept, as the need for conformity (similarity) and the need for exclusiveness (uniqueness) are considered to be two competing social needs (Brewer, 1991; Fromkin, 1980). A phenomenon tends to have various motives, especially in different cultures. It needs to be clarified that the “conspicuousness” dimension here does not refer to the need for “exclusiveness” of conspicuous consumption, rather, it reflects the social need for showing wealth, which is also an obvious role of conspicuous consumption (Bagwell & Bernheim, 1996; Corneo & Jeanne, 1997).

5.7.5 Summary

Consumption Face, as an image of social self, is formed by indigenous Chinese social behavioural factors: conformity and the need of social group; as well as the desire to visually signal success by possessions (conspicuousness).

Consumption Face now combines traditional characteristics of modesty and a desire to be more successful and outstanding than others. Chinese pay more attention to extrinsic attributes (e.g. brand, prestige) than intrinsic attributes (e.g. value, quality) of products because such observable features are more likely to fulfil the desire of Face (Bao et al., 2003). However, in seeking “conspicuousness”, they tend to be impacted by, and then conform to, significant others’ commonly observed luxury consumption. In other words, seeking conspicuousness seems to be another approach to conformity.

I use the term “dimension” instead of “trait” which Li and Su (2007) used in their study to mean distinct characteristics. Consumption Face is a multi-dimensional concept containing three dimensions (Societal Conformity, Social Group-Distinctiveness and Conspicuousness). These are embedded in Consumption Face and the weight of each affects the choice of different possessions differently. I will test the weight of each effect in the following Study 4 in section 8.6.

5.8 Discussion

So far, I have introduced Chinese society's culture, discussed the historic changes and their influence on Chinese, and reviewed the relevant theoretical concepts as well as research which has been done by the West to understand the modern consumption phenomenon in China. Based on these, I have then conceptualised Consumption Face. Since the Economic Reform, China and the West are far more open to each other, now more Chinese see the West, and the West sees more of China. Chinese and foreigners interact much more in the last three decades than before. Chinese have adopted new consumption patterns impacted and led by the West. Nevertheless, is that consumption behaviour the same as in the West? It is unlikely. I assume the same behaviour satisfies different values. When Chinese traditional values remained, the modern western consumption patterns would have been adopted into Chinese culture. In my research, consumption patterns would have been adopted to serve the demand of social Face. If that is true, will the young people who are believed to be more Westernised than older Chinese, be less influenced by Face demand when they make purchase decisions? In addition, would Consumption Face influence Chinese decisions differently towards different product categories, as well as differently from decisions on products and brands which carry a varying weight of social meanings? These are the research questions I need to hypothesise, test and to answer in this thesis. I will discuss these next in Chapter Six.

PART III: RESEARCH QUESTION AND HYPOTHESES

OVERVIEW OF PART III

In this part, I refine the research questions and explain step by step how I verify these and develop the set of measurements. I then introduce how I design and conduct a survey and subsequent studies, in order to answer the research questions and discover more insights.

CHAPTER SIX: RESEARCH QUESTIONS AND HYPOTHESIS

In Chapter Six, I address the research questions, and the tasks carried out in conducting the survey. I then explain the design of each research study from using the survey data to answering the research questions and the related hypotheses for each study design are proposed.

6.1 Research Questions

This study pursues multiple purposes. Firstly, I verify how Consumption Face works in relation to different product categories, and the difference between products and brands. By using that as a starting point, I compare the CFI on young Chinese and older more traditional Chinese in order to reveal more insights. The results may provide helpful evidence to predict consumption in a future China, which is following the trend of globalisation and materialism.

To operationalise, the basic research questions address the extent to which Consumption Face influences purchase decisions, and compare young Chinese consumers and preceding generations. Specifically:

1. To what extent does Consumption Face influence purchase decisions between different categories of products and brands?
2. To what extent does the influence of Consumption Face on purchase decisions differ between young consumers and preceding generations?

To answer these two basic questions, some tasks also need to be operationalised.

6.2 The Operationalisation of the Research

To measure the influence of Face on consumption, I start with how Face influences Chinese consumers' purchase decision making about products. A question is raised: what kinds of products are appropriate? And, what measurement set is to be used for the Consumption Face? In addition, to answer the question of the difference of the influence of Consumption Face between the Chinese youth and older Chinese, how do I define the young, and the older Chinese?

Hence, three basic tasks must be done before any further research.

1. A set of measurements is needed to test Consumption Face;
2. A way of clarifying product categories is needed;
3. The “Young Chinese” and the “older generations” need to be defined.

In Chapter Seven, Methodology, all three operationalisations will be presented.

6.3 Study Design and Hypothesis

Having formulated the research questions and related tasks, I answer those questions by using the collected data. In study 1, I present the data to verify the CFI measurement development, the CF Index, in Chapter Seven. If the measurement is valid and reliable enough to be used for further research, Study 2 will compare the CFI on young Chinese and the preceding two generations. In Study 3, I measure the CFI on decisions on product categories and brands on all age cohorts and compare them to note the differences. In study 4, I demonstrate how other demographic factors relate to the extent of CFI across three age cohorts: not only gender and marriage status, but also family type, education background and dwelling size. In study 5, I measure the effect of the three dimensions of CFI (Societal Conformity, Social-Group Distinctiveness and Conspicuousness) towards each product category and brand to ascertain whether one of the dimensions plays a more important role in consumption decisions than other dimensions. Study 6 is a cross-field study where I use my Consumption Face data to test the results of a published survey that uses farming patterns to verify the individualistic and collectivistic tendency of Chinese.

6.3.1 Study 1 Design: the verification of the measurement set

Because the measurement set is the one I developed in the literature review, it must first be verified before it is applied in a survey. Hence, the first study is the verification of the CF index which I have developed. The two hypotheses that help verify this measurement follow.

Consumption Face is a social concept that might not influence all kinds of categories especially those that lack social attributes. Some scholars have noticed that the concern of Face influences the purchase of publicly visible products, and of luxury products that bring more symbolic value to imply wealth and social standing (X. Liu & Hu, 2012; Monkhouse et al., 2012; Z. Shi, Fan, Lijie, & Ye, Jinfeng 2012; N. Wong, Y. & Ahuvia, 1998; L. Zhou & Wong, 2008). Thus,

As it is observed that Face influences the consumption of publicly visible products, it is proposed that:

Hypothesis 1: if the developed CF measure is appropriate, the results will demonstrate that Consumption Face is associated with the consumption of publicly consumed products more than the consumption of privately consumed products.

and

As it is observed that in China Consumption Face influences luxury products, it is proposed that:

Hypothesis 2: if the developed measure is appropriate, the results will demonstrate that Consumption Face is associated with the consumption of luxury products more than the consumption of necessity products.

6.3.2 Study 2 Design: using CFI to research differences between young Chinese and older generations

Young Chinese are the future of China. Investigating whether Face, the traditional Chinese socio-cultural factor, still impacts on the consumption behaviour of this youth cohort of about 300 million is vital for understanding and predicting future consumption patterns.

As previously discussed, Chinese young people have grown up in a more Westernised China since the Economic Reform and the Open Door policy of the late 1970s. As an only child without siblings, and with fewer playmates, especially after housing reforms which

brought about more changes, they live in a neighbourhood of strangers and are considered self-centred and less cooperative (Cameron et al., 2013). They are better educated and have greater disposable incomes, are more open-minded, are said to reject traditional values, and be more individualised and cosmopolitan, compared to preceding generations (Alden et al., 1999; J. Sun & Wang, 2010; Wei & Pan, 1999; Xiao & Kim, 2009; Jing Zhang, 2010).

Hence, the hypothesis is:

H3_a: Consumption Face influences young consumers less than it does preceding generations.

However, the converse argument may also be true. Since China has transformed into a market-oriented economy from a centre-planned economy in the late 1970s, “To boost people’s consumption power” has been a stated goal of Chinese leaders (see, for example, the Chinese State Council Report, 2014, 2015). The country’s growth strategy in China transitioned toward a consumption driven path (Lardy, 2006). The young people who grew up in this materialised and consumerised environment, with abundant commodities, consume far more than preceding generations. Through consumption, they can show their success and symbolise their new identity in an elite class, which they desire, and which others perceive that they belong to (Doctoroff, 2012; Willett, 2015). The Consumption Face that I define in this study is the construct that focuses on consumption. It does not involve other behaviour, such as virtue or manners. Given that young Chinese may use consumption more than older age groups to maintain and enhance individual Face, as well as to start and maintain social networks, the alternative hypothesis to H3_a is:

H3_b: Consumption Face influences young consumers more than it does preceding generations.

6.3.3 Study 3 Design: Test CFI difference between product and brand decisions

In Study 3, I compare the difference of CFI on product category decisions and brand decisions. This is because brands are embedded with more social value compared to the more utilitarian product category. The product category function is a hybrid: besides the basic utilitarian function, it can also represent a user’s social role and express self-value (Baek, Kim, & Yu, 2010; Solomon, 1983). The social value of product categories varies.

Some categories, especially necessities, have few embedded social values. In contrast, brands imply symbolic value for self-expression without tangible utilitarian value (Levy, 1959; Mason, 1984). This is consistent with previous studies about motivations toward product category and brand. The product-category purchase is generally straightforward, and informationally based, motivated by problem removal, while brand purchase is transformationally based, motivated by other factors such as social approval (Rossiter, 1987). Consumption Face, as a social factor, is presumed to influence product categories and brands to different degrees. Thus, in Study 3 I test the comparison expressed in hypothesis H4.

H4: The influence of Consumption Face on brand decisions is greater than that on product category decisions.

As I reviewed in Study 1, it is observed that in China the concern of Face influences the consumption of publicly visible products, as well as of luxuries that bring more symbolic value (X. Liu & Hu, 2012; Monkhouse et al., 2012; Z. Shi, Fan, Lijie, & Ye, Jinfeng 2012; N. Wong, Y. & Ahuvia, 1998; L. Zhou & Wong, 2008). Here, the attribute of being “public” matters more than being “private”, and “luxury” matters more than “necessity”. Regarding the products’ purchase and consumption, possessing the product or not relates to having the Face or not. In this case, a product must be “exclusive” to bring Face; if everyone has it and it is not exclusive, it does not have a symbolic value signalling social standing or wealth; hence there is no point in possessing it to have Face. If a product is possessed by almost everyone, it is a “necessity”. Only the exclusive product that not everyone can own is the “luxury”. The conspicuousness of a *product* mainly relies upon whether one possesses it or not, distinguishing ‘haves’ and ‘have nots’ (Davis, 2000). It does not really rely upon whether it is consumed in public or in private. Hence, I propose Hypothesis 5:

The influence of Consumption Face on product decisions

H5_a: depends on the attribute of luxury vs necessity.

H5_b: does not depend on public vs private consumption.

Here, necessities are defined as being possessed by everyone, while luxuries are exclusive (Bearden & Etzel, 1982). Luxury here does not refer to how expensive a product is, rather, it relates to possessing the perceived material object. However, the brand decision is the opposite. As an example, a handbag is necessary because everyone has one; hence it is not a

symbol of wealth and social status. However, when it is a luxury brand (Louis Vuitton, Hermes, Gucci, etc.) and it can be recognised by others in public, it becomes the fashionable symbol of wealth and social status and so brings the user Face. The key here is not whether one has a handbag or not, but whether the brand of the handbag can be seen in public and can be recognised. If it is not in public and the brand of the handbag is not recognised, it is not a luxury and it will not bring Face at all; it is merely a necessity. In other words, consumption occasion matters with regards to Face, whether the brand is consumed publicly or privately. Hence, my next hypothesis for brand purchase decisions is:

The influence of Consumption Face on brand decisions

H6_a: depends on public vs. private consumption.

H6_b: does not depend on the attribute of luxury vs. necessity.

6.3.4 Study 3B design: other demographic findings

In order to investigate more details and implications of the influence of Face on Chinese consumers, I attempt to further compare three age cohorts by looking at demographic factors. Despite the rise of gender equality since the PR China was established, and growing female labour participation, traditional Chinese ideology is still evident. The male is inherently emphasised as more important than the female; not only do men take the responsibility to carry on the generational line, but also men are the family “bread winner” (Zuo, 2003). Thus, based on the literature, I predict:

H7: males would be more influenced by Consumption Face than females.

Similarly, I predict that

H8: married consumers would be more influenced by Consumption Face than singles.

This is especially applicable to the Face of a married person who normally stands for their whole family (Ho, 1976). The family is the basic social unit in China and follows a strict hierarchal structure; the reputation of a family matters profoundly. The bigger the family (with more generations and members), the more Face consciousness they perceive. Based on this knowledge, I predict:

H9: the members of larger families would be more influenced by Consumption Face than members of smaller families.

Additionally, better educated consumers understand more about Western values through education and information sources e.g. media etc., and would likely be affected implicitly. Or, less educated Chinese tend to be more influenced by Face due to their lack of self-confidence (Jap, 2010). In other words, better educated consumers would be less influenced by traditional socio-cultural factors such as Face. Thus, I propose:

H10: Poorly educated people would be more influenced by Consumption Face than the better educated.

Furthermore, Western values are more prevalent in large cities, so people there are more likely to explore Western individualist oriented mind-sets. Hence, I propose that:

H11: residents of smaller cities would perceive a greater influence of Consumption Face compared to larger city dwellers.

As I discussed in section 4.5.1 more and more young people in China are moving to large cities, e.g. young immigrant workers and young graduates seeking a better career. The time spent living in big cities will matter, because the environment will change one's thinking and behaviour. In this research I also investigate differences by length of residence. Hence,

H12: the young people who have lived in large cities longer would be less influenced by Consumption Face.

This hypothesis *H12* test also helps distinguish whether the test result of *H11* above is the response of young migrants or just the original inhabitants.

6.3.5 Study 4 design: the effect of 3 dimensions of CFI on different categories

The present research uses three dimensions to measure the CFI for comprehensive results. However, I am prompted to ask: how general are these findings? i.e. 'Do these three dimensions (Societal Conformity, Social Group-Distinctiveness, Conspicuousness) play the same role for different product categories, between product categories and brands in decision making?' Study 4 tests the effect of each of the three dimensions. The findings are expected to reveal more insights that will help understand Chinese consumption patterns which would otherwise be overlooked.

6.3.6 Study 5 design: Test another paper's results with my Face data

China is considered a typical collectivistic country where people interdependently rely upon each other (Hofstede & Bond, 1988; Markus & Kitayama, 1998; Triandis, 1989). Interestingly, a paper by Henrich (2014) in *Science* uses the “rice theory” to state that paddy rice versus wheat cultivation produce collectivistic and individualistic tendencies respectively, due to the different cooperation levels required for cultivation and irrigation systems. They conducted a survey in China to test the difference between northern China (wheat cultivation) and southern China (rice cultivation) bordering the Yangtze River. The results support the finding that Chinese in south China cultivating more rice are more collectivistic than Chinese in north China cultivating more wheat, because rice cultivation requires more intense cooperation, which in turn promotes in communities a particular kind of collectivism. Face as a cultural factor, in particular, occurs in collectivistic societies rather than in individualistic societies (Hofstede, 1984). As I discussed earlier, Chinese Face is other-oriented. For Chinese, with high levels of social context and high levels of monitoring attitudes, the more people rely upon others, the higher Face influence people will perceive from others. In other words, the more collectivistic a society is, the more Face is a concern. Here, I use the sample in my Face survey from southern and northern China, to test the findings by comparing CFI measures. Also I use this test as another way of verifying my developed measures.

Following the rice theory paper of (Henrich, 2014), the hypothesis to test its results is:

H13: people in south China perceive higher CFI (Consumption Face Influence) than people in north China.

I put the designs of all 6 studies and their related hypotheses in Table 6 for clarity.

Table 6: The Study Design

	The purpose of study		Hypotheses
Preliminary Test	Select representative product for each category		
Study 1	Verify the CFI measurement	H1	If the developed CF measure is appropriate, the results will demonstrate that Consumption Face is associated with the consumption of publicly consumed products more than the consumption of privately consumed products.
		H2	If the developed measure is appropriate, the results will demonstrate that Consumption Face is associated with the consumption of luxury products more than the consumption of necessity products.
Study 2	use CFI to research the difference between young Chinese and the older generations	H3a	Consumption Face influences young consumers less than it does preceding generations.
		H3b	Consumption Face influences young consumers more than it does preceding generations.
Study 3	Test CFI difference between product and Brand decisions	H4	The influence of Consumption Face on brand decisions is greater than that on product category decisions.
		H5a	The influence of Consumption Face on product decisions H5a: depends on the attribute of luxury vs. necessity
		H5b	The influence of Consumption Face on product decisions H5b: does not depend on public vs. private consumption.
		H6a	The influence of Consumption Face on brand decisions H6a: depends on public vs. private consumption.
		H6b	The influence of Consumption Face on brand decisions H6b: does not depend on the attribute of luxury vs. necessity.
Study 3B	Demographic test	H7	Males would be more influenced by Consumption Face than females.
		H8	Married consumers would be more influenced by Consumption Face than singles.
		H9	The members of larger families would be more influenced by Consumption Face than members of smaller families.
		H10	Poorly educated people would be more influenced by Consumption Face than the better educated.
		H11	Residents of smaller cities would perceive a greater influence of Consumption Face compared to larger city dwellers.
		H12	Young people who have lived in large cities longer would be less influenced by Consumption Face.
Study 4	To the effect of 3 dimensions of CFI on different categories		
Study 5	Use the CFI data to test the result of another research from <i>Science</i>	H13	People in south China perceive higher CFI (Consumption Face Influence) than people in north China.

CHAPTER SEVEN: METHODOLOGY

This methodology chapter starts with three operationalisations to develop the Consumption Face Influence measure (an index), to classify three age cohorts and to classify the product category. A preliminary test is then conducted to select archetypical products that will be used in the main survey for the participants to respond to. Then, the main survey will be presented with methodology and study design, as well as the process of data collection and quality control.

7.1 Operationalisation of Measurement

To fulfil the research objectives, a way to quantify the specific phenomenon is needed (DeVellis, 2012). Consumption Face is a construct, a “phenomenon of theoretical interest” (Edwards & Bagozzi, 2000). It needs a measure for further research, because if there is a thing cannot be measured, it does not exist (C. B. Brown, 2012). In this section, I will describe the way I develop the Consumption Face Influence (CFI) measurement set, which is essentially an index, so that it can be used to measure Consumption Face in the main survey. Next, the classification of age cohorts defining the young Chinese and their preceding generation is presented. I then classify the product category that will be measured towards by CFI in the survey, to generate results to answer each research question.

7.1.1 Operationalisation One: Developing the Consumption Face Index

In this chapter, I will develop the measurement set for Consumption Face. I will first declare my approach to methodology selection, based on which I develop the CFI measure. The selection is influenced by the aim of using the most effective way of collecting and analysing data as accurate as possible: there is no absolute ‘truth’; some error exists in any measurement (Nunnally & Bernstein, 1994).

The approach to developing a measure is to find a simple but accurate tool to reflect the nature of the concept in a statistical way as an observed score (Churchill, 1979; Edwards & Bagozzi, 2000; Nunnally & Bernstein, 1994). Consumption Face is an abstract concept that we cannot assess directly. In social science, what we measure is the attribute of the concept rather than the concept itself (Churchill, 1979). What I am aiming to measure is the summarized components of Consumption Face from a process level in order to reflect the

different degrees of quality of the object, besides the object itself, by the assignment of numerals according to rules (O. D. Duncan, 1984). In social science, it is the fundamental properties of measures that measurement methods should measure physical as well as nonphysical sciences (DeVellis, 2012; O. D. Duncan, 1984; Narens & Luce, 1986). Consumption Face is an intangible, underlying behaviour and phenomenon. The theoretical understanding shows it exists, but that it cannot be assessed directly. This situation demands that we develop a measure to yield a score in order to reveal levels of variables or components (DeVellis, 2012).

I choose to use a multiple-item index that yields a composite score to measure Consumption Face. As I have developed in section 5.7, the Consumption Face comprises three dimensions: Societal Conformity, Social Group-Distinctiveness and Conspicuousness. To measure Consumption Face, it should measure these three dimensions for a complete comprehension. A multiple-item measure that produces a composite score is a good way to summarise information. In addition, my research aims to compare the Consumption Face influence between variables (generations, between product categories, etc.). A numerical index would be convenient to do such comparison. Note that an index is in contrast to a scale because of the difference between *effect* indicators (or latent variable) and *causal* indicators (or *emergent variable*) (DeVellis, 2012). I will discuss this difference later in section 7.1.1.2.

Based on my literature review, to the best of my knowledge, my research is the first attempt at measuring Consumption Face. There are no existing Consumption Face scales that can be directly adapted. Consequently, this suggests a broader literature search to start.

To clarify what I need to measure Consumption Face, I first discuss one of the core contributions of this thesis: developing the construct of Consumption Face.

7.1.1.1 A three-elements Construct

The three dimensions of CF are the entire set of essential elements of face that are demonstrated by consumption. Two of them are rooted in the foundations of Chinese culture in terms of social behaviour, and the third one is formed by the nature of consumptionism and integrated with the Chinese desire for symbolic value. In section 5.7, I developed Consumption Face into three dimensions: Societal Conformity, Social Group-Distinctiveness and Conspicuousness. This development is partly informed by a literature review, that is the basis of Li and Su's conceptual work (2007), and partly by a broader

literature review including both Chinese and western consumption and social influence literature. However, these three dimensions of CF also reflect the nature of Chinese behaviour. For that, I use chapters Two, Three and Four to introduce and discuss Chinese behaviour's causal root antecedents, through to its current form in contemporary China, evolving due to historical changes. The first dimension, Societal Conformity, is in the nature of this high-context collectivistic culture. Harmony discipline and the importance of others craft conformity, the first rule an individual should follow in society (Kitayama et al., 1997; Triandis, 1995, 2001). The second dimension, Social Group-Distinctiveness, grows in the nature of *Guanxi* networking, which is the necessary soil and blood in an individual in this “we” culture (rather than a “me” culture). Face is not claimed unilaterally: one's completion of self is dependent on others through interpersonal interactions (H. Chan et al., 2009). In Chapter Four in the discussion of contemporary historical and political societal changes in China, I discussed how the conformity (e.g. the risk of being different; the being as others in responding to national calls) and social grouping (e.g. the effect of *danwei*, the housing rules and immigration into cities form new social groups) evolved into a new form but never went away. The third dimension, Conspicuousness, reflects the need to show individual success in modern China, thanks to the consequence of emerging materialism developed in the West which moved into China. It is in the genes of consumptionism when it grows in China, when Chinese duplicated consumption patterns from the west in response to the call of Deng's ‘being rich is glorious’. These three dimensions, then, are the three elements of Consumption Face.

These three elements of Consumption Face (Societal Conformity, Social Group-Distinctiveness and Conspicuousness) are the necessary components of Consumption Face. It is like a three-leg stool, if one leg is taken away, the stool falls over.

Also, the three elements make Consumption Face distinct. The three elements are not unique to China; they can be found in other societies. However, the combination of the three at substantial levels makes Consumption Face unique to Chinese. It is only the

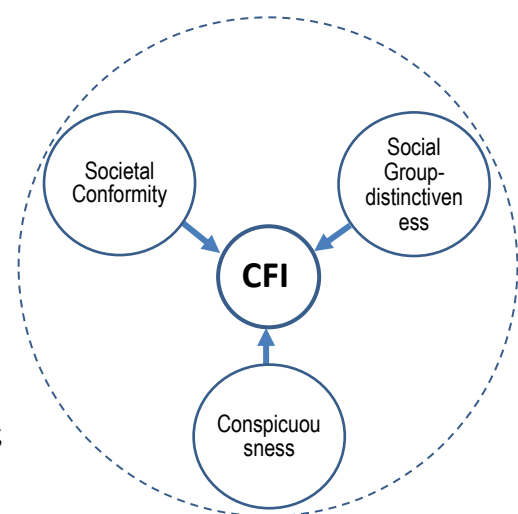


Figure 12: The Basic Consumption Face Construct

substantial combination of three elements that makes Consumption Face a distinct construct.

If one element is taken away, the Consumption Face construct does not exist. If one element is taken away, Consumption Face cannot be measured. This three-element construct is a formative construct (see Figure 12).

7.1.1.2 Formative construct vs. reflective construct

The Consumption Face construct I develop is a formative construct. The three elements are the necessary components to CF, and the three elements together form the construct. These elements are therefore *not* interchangeable. This contrasts another popular model construct: the reflective construct, in which the reflective indicators are essentially interchangeable (Bollen & Lennox, 1991). The elements in a reflective construct, to be precise, the indicators, reflect the construct (Bagozzi, 1994). In formative constructs, the indicators (the three elements in this research) cause the formation of the construct (the Consumption Face in this research). In reflective constructs, the construct causes changes in the indicators (Diamantopoulos & Winklhofer, 2001). In reflective constructs, the indicators whose values are caused by the underlying constructs are “effect indicators” (where the effect is a *latent variable*); while in formative constructs, the indicators do not share any common cause, but determine the intensity of the joint outcome (i.e. the strength of construct). The indicators that aggregate into a composite score are “causal indicators” (of *emergent variables*) (DeVellis, 2012, p. 12; Nunnally & Bernstein, 1994, p. 449). Take the example of socio-economic status, as suggested by Nunnally and Bernstein (1994), which was initially used by Bollen and Lennox (1991). For representing socio-economic status (SES), the indicators might be education, occupational prestige, income, and neighbourhood (see figure 13a).

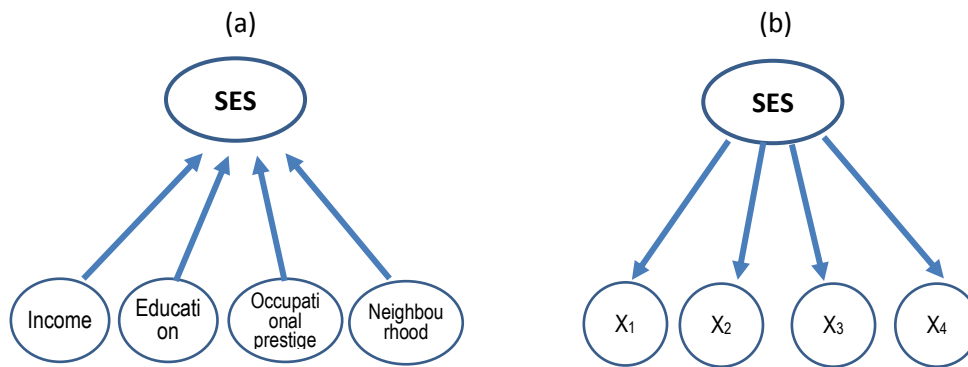


Figure 13: The Path Diagrams of Formative (a) and Reflective (b) Construct Models

Adapted from Bollen and Lennox (1991)

In Figure 13a the formative construct, these indicators determine a person’s SES rather than the reverse. For example, if income goes up, SES increases even if other indicators, education, occupation and neighbourhood stay the same. In other words, an increase in SES is not expected to require a simultaneous increase in all four indicators. “hence, modelling these four indicators as dependent on the latent variable would not make substantive sense” (Bollen & Lennox, 1991, p. 306). The reflective construct, as demonstrated in Figure 13b, the latent indicators (X_i) are caused by SES. X_1 - X_4 are the observables for SES. An increase in SES will lead to a simultaneous increase in all four indicators, X_1 - X_4 . The direction of the arrows shows their causal relationships. In Figure 13a the indicators are causal indicators and are effect indicators in Figure 13b.

A conceptual check through the use of a mental experiment is proposed to decide whether a construct is formative or reflective (Bollen & Diamantopoulos, 2015; Bollen & Lennox, 1991). For reflective constructs, one needs to ask if a change in the latent variable leads to a change in the indicators. In the case of formative constructs, rather, ask if a change in the indicators leads to a change in the latent variable. Take the above example, used by Nunnally and Bernstein (1994), to be formative, answer if people have high socioeconomic status because they are wealthy and/or well-educated or if people become wealthy and/or well-educated because they have high socioeconomic status? Clearly, “people have high socioeconomic status because they are wealthy and/or well-educated; they do not become wealthy or well-educated because they have high socioeconomic status” (Nunnally & Bernstein, 1994, p. 449).

In the same vein, the Consumption Face exists when the needs of Societal Conformity, Social Group-Distinctiveness and Conspicuousness have been met; not that these needs have been met because Consumption Face exists. In a formative construct, the indicators are the predictors, not the observable reflectors, as the result of a reflective construct model (Bollen & Lennox, 1991).

Given the formative construct model, in order to measure Consumption Face, I need to measure the three elements in this case. However, the Societal Conformity, Social Group-Distinctiveness and Conspicuousness are too abstract to be measured at the process level. To investigate a construct by analysing the extent of it, the generation of scale-items is needed. The scale-items need to be understood directly by participants at an observable perspective. The more directly these simply reflect customers' responses to these elements, the more precise the measure would be. Therefore, in the next section, I will discuss how I develop scale-items that capture the dimensions of Consumption Face and the level of influence evoked by Face on each dimension.

7.1.1.3 Rationales underlying the measurement development

Given the above, the steps employed to develop the formative construct measure differ from the steps to develop the reflective construct measure, but the goals are the same: to establish the content of the construct in a proper domain, criterion validity and the most representative scales to probe comprehensively the concept. In following section I will review the traditional procedure for developing measures (scales) for reflective constructs, and to contrast it to the procedures for formative construct (index), through underlying rationales, as well as discuss in more detail why the conventional procedure of scale development is not appropriate in this research.

7.1.1.4 Literature review: The suggested procedure for developing scales for reflective construct

Churchill established a procedure for development of “better” measures to specify the procedure for scale generation (1979). Churchill's procedure is frequently used, mainly because his idea and rationale was presented clearly, reasonably and generates convincing scales for the demand of evolving scientific research. Though Churchill's procedure has been modified since it was published in 1979, the underpinning rationale stays the same. Particularly, his procedure emphasises the “desirable reliability and validity properties”

(Churchill, 1979, p. 65) which are the main concern of a measure development. Although error is involved in any measurement, the expected procedure aims to measure the attributes of concepts (not the concept itself) in a way that the measured observed score (X_O) equals the concept's true score (X_T) as well as the differences between X_O and X_T . In a function the relationship can be shown as:

$$X_O = X_T + X_S + X_R$$

(X_S and X_R refer to the systematic sources of error and random sources of error).

In other words, even though the error exists anyway, the proper measurement is supposed to be valid and reliable, ultimately to reflect the same differences between estimate scores and the true scores. To meet the objective of a measurement that will generate observed scores that approximate the true scores as closely as possible (Churchill, 1979), Churchill's procedure emphasises the reliability and validity tests. When the observed scores reflect true differences of the concept, the measure is considered to be *valid*; When the group of independent but comparable measures broadly agree each other, the measure is considered *reliable*. In other words, the reliability check is to check the internal consistence of the measures (Bagozzi, 1994).

In order to do this, Churchill's procedure specifies the process and some calculations of development multi-item measures focusing on reliability and validity. Churchill calls it the "purify measure" step. After firstly specifying the domain of the construct, the context for the measure, then secondly generating sample of items, Churchill's procedure requires a basic reliability and validity check by calculating Coefficient alpha and optionally factor analysis with test data to assess the quality of the scale instrument. After data have been collected, the reliability and validity are further assessed or checked.

The "purify measure" step is necessary because of the nature of the underlying domain sampling model. This model implies that, in order to estimate the true score, all the items in the domain should ideally be used. However, practically, not all the items could be used, but rather, a the sample of items that correlates with true scores (Churchill, 1979; Nunnally & Bernstein, 1994). The key is to choose the best sample of items. Hence, purifying the measure, by selecting the sample of items, is a must. This purifying is allowable also because: the sample of items can be exchangeable (Diamantopoulos & Winklhofer, 2001). A measure can use item A and alternatively can also use item B to measure the same trait of

a given construct. The items are observable items caused by a construct (see Figure 13b). So, a purifying step is needed, to select the most valid group of items capturing the construct (for example, by using factor analysis) and the most reliable items from that valid subset to reflect the traits of the construct (for example, by providing coefficient alpha improvements conditional on removing one less reliable item).

However, in a formative construct model, the elements are not exchangeable. “Omitting an indicator is omitting a part of the construct” (Bollen & Lennox, 1991, p. 308). All the elements are a necessary composite for the construct. The formative construct has no freedom to choose from alternatives in a sense of a “purifying measure”. Hence, the procedure suggested by Churchill is considered not meaningful for a formative construct (index) (Bagozzi, 1994; Bollen, 1989; Diamantopoulos & Winklhofer, 2001).

To go back to the literature review, this “purifying measure”, in the context of reflective constructs, has also been questioned. For example, Rossiter questions Churchill’s procedure with regards to “its strict emphasis on factor analysis and internal-consistency reliability (coefficient alpha)” (Rossiter, 2002, p. 307). The “anomalous results” of Churchill’s procedure include, e.g., “the deletion of conceptually necessary items in the pursuit of factorial unidimensionality”, “the addition of unnecessary and often conceptually inappropriate items to obtain a high alpha”, and “the use of high alphas as the solitary evidence for scale validity” (P308). Producing beautiful numbers and tables as outcomes does not necessarily suggest the measure is being used appropriately. This reflects Nunnally and Bernstein’s (1994) point that the importance of measurement is not to the measure itself but to the researchers who use it.

DeVellis (2012) also advances scale development by adding several steps to Churchill’s procedure. This advance especially adapts the opinion of experts to maximise the content validity addressing the above concerns. E.g., DeVellis (2012) guideline is similar to Churchill’s procedure: to define the domain and content, determine the format for measurement, select items and evaluate items. Furthermore, DeVellis emphasises the importance of maximising the validity by the use of a group of people who have substantial knowledge, in terms of the content, to review the items (2012). Inviting a panel of experts to examine the relevance of items to construct and to comment on each item as they see fit can yield “excellent information” (p. 101). The panel of experts also should evaluate the items’ clarity and conciseness, pointing to a possible approach that maybe overlooked. Again,

DeVellis's emphasis reflects Nunnally and Bernstein's view that people talk more authentically than numbers do (1994). Such measures, like the use of a panel of experts, are a way to avoid the mistake that Rossiter warns of, that validity and reliability are to be regarded only as a 'precision-of-score' (p. 308; 330).

Rossiter advances the scale development for marketing by launching a new procedure, C-OAR-SE (2002). Fundamentally, the rationale of Rossiter's new procedure relies on logical arguments and the concurrence of experts rather than empirical tests. The C-OAR-SE procedure is grounded in rationalism rather than empiricism (Rossiter, 2002, p. 308). What Rossiter believes, in scale development, is to define the scales by logically arguing the fundamental property of construct, including its objects, its attributes and rater entity. For example, through defining the types of attribute to determine whether the attribute is concrete or abstract, formed or elicited, and whether the attribute has components. By this process, the attributes are defined, and all attributes and their components (if they have any) must be included in the scale. These formed attributes, represented as definitive attributes of the object and construct, do not follow the domain sampling model (Rossiter, 2000). This is the way to avoid increasing the "reliability" of the formed scale through selection of inappropriate items.

The OAR step of C-OAR-SE, stands for Object, Attribute and Rater entity. This step, defining a construct through defining its object, attributes and rater entity, is the appropriate approach for forming the composite "*stems*" and "*leaves*" in measure items (Rossiter, 2002, p. 319). Rossiter challenges Churchill's "good enough" item pool (Rossiter, 2002, p. 321). Rossiter suggests that the number of items does not matter, rather, what matters is whether the items cover all necessary components of constructs in concrete wording, because respondents in marketing should not have "difficulty" in the literacy of items (Rossiter, 2002, p. 321). Instead of testing an item pool, Rossiter suggests the best process to select proper items is through cognitive interviewing (Rossiter, 2002, p. 320). Again, this is the process that relies on logical arguments, rather than typical validity and reliability statistical tests, for example, as suggested by Churchill.

The only type of essential validity in the C-OAR-SE context is content validity. The C-OAR-SE procedure integrates Churchill's "purifying measure" as part of a supplementary check, while focusing more on the underlying rationale for defining the construct, through stems to leaves. The process of logical argument addresses the content validity, the "appeal

to reason”, before the scale is developed (Rossiter, 2002). Through using a panel of experts and cognitive interviewing, the researcher holds more control over the measure subjectively, rather than passive control by empirical testing (Rossiter, 2002).

7.1.1.5 Validity of formative construction measure: consider four issues

Most existing measure development procedures focus on scale measurement, and the methodological soundness of marketing and social science has been significantly improved as a result (Diamantopoulos & Winklhofer, 2001). In such scale measurements, the items that compose a scale are reflective indicators (i.e. effect indicators) of an underlying construct. The scale-items are measurement variables of the latent construct. In contrast, for formative indicators, the observable causal indicators that cause a formative construct, are much harder to find in practice (Bollen, 1989; Diamantopoulos & Winklhofer, 2001). However, based on my theoretical review, Diamantopoulos and Winklhofer (2001) suggest four critical issues for formative index construction: content specification, indicator specification, indicator collinearity and external validity (2001). Unlike scale development procedures that are based on classical test theory and the domain sampling model (Nunnally & Bernstein, 1994) which select scale-items from literature for testing of reliability and validity, formative construct index is based on an original “operational definition” model (Diamantopoulos & Winklhofer, 2001). The formative construct measure, therefore, is defined through the domain, content and indicators, by logical argument. This reflects the C-OAR-SE’ process essence: that the measure is grounded by rationalism (Rossiter, 2002).

7.1.1.6 Summary and next steps

Even though the steps and the focus in the two construct development approaches discussed above differ, the purpose and goals are the same. No matter, whether the approach is based in empirical or rational discussion and testing, the general procedure is to: define the domain where the research conducts; define the construct; define the elements and attributes of the construct; select or develop comprehensive and correct set of measurement items, and justify that the measure system is reliable and valid.

The procedure of modifying the Consumption Face index that I chose is based on Diamantopoulos and Winklhofer (2001) suggestion for formative construct development, and inspired by reflective scale measure guidelines. I will firstly explain the identification of the domain of work which subsequently defines the construct (Hinkin, 1995), then I develop

concrete measurement items based on logical arguments around content validity justification (DeVellis, 2012; Nunnally & Bernstein, 1994; Rossiter, 2002), followed by statistical reliability and validity tests as side-checks after the main data collected (Churchill, 1979) in section 8.2.

Adaption, rather than development, of CF measure

I note that I am *not* going to develop a new measure in the sense of creating a totally new measure. I take the Face Consumption measure as a basis, which was developed by Li and Su (2007). I revise these measurement indicators, and adapt other indicators from relevant broad Chinese and western relevant concepts' measures through logical argument. These items that I adapt, have been developed and tested for reliability and validity already. I will briefly specify the domain of the construct. In the indicator selection phrase, I will test whether the items that I adapt are effective.

7.1.1.7 CF Index development

7.1.1.7.1 Content Specification

Content specification, the specification of the scope of the construct, that is, the theoretical domain of the content index, is the first step in an index development process (Diamantopoulos & Winklhofer, 2001).

The specification of a domain for Consumption Face has already been provided almost everywhere in this thesis to this point, and is the concept this research focuses on. To develop this concept, this thesis started with analysing its background and antecedents (Chapter Two), then positioned the Consumption Face in a Chinese Face Matrix, through broad face literature review published works over the recent century (Chapter Three), discussed the antecedents of CF and current situation of CF after its evolution (Chapter Four), and compared CF with similar western constructs, for a better definition of a boundary, in order to clarify the definition (Chapter 5). The domain of Consumption Face research is thus clarified. Face is a social self image. Consumption Face is the part of it manipulated, and illustrated, by consumption. It is a self-concept, but it is built on interdependence in the social influence area. It is an individual self-concept but it is initiated and created by individual's impression on others, by visible consumption.

7.1.1.7.2 Construct definition

At a conceptual level, Face is a part of one's self. However, it does not exist and is initiated by oneself, alone. Face is actualised by impressing others, including people whom one knows (e.g. family, working colleagues and social interactors), and also those others whom one does not know, but encounters in public. Consumption Face is the type of face that impresses others by one's consumption.

Consumption Face is a public image of one's self in China. It is an individual public self-image, but it is established by impressing others through observable consumption. It is in the social influence domain: as a part of one's self, Consumption Face is established, influenced and driven by social influence. The Consumption Face construct comprises three elements: Societal Conformity, Social Group-Distinctiveness and Conspicuousness (For more detail, refer to the definition of CF in section 4.7).

7.1.1.7.3 Indicator Specification for three elements of CF Construct

As discussed above, Consumption Face comprises three elements: Societal conformity, Social Group-Distinctiveness and Conspicuousness. This is a formative construct and its measure is an index: all three elements cause Consumption Face. As I addressed in section 7.1.1.1, these three elements of CF are the focus of this research: more than half of this thesis is devoted to specifying these three elements. These three elements are derived from, and reflect the nature of, Chinese social behaviour in consumer society. I assert, and the panel of experts agreed, that these three elements of CF cover all the necessary components. I did not find any more elements through literature review and related phenomenon analysis over the last four years of my research.

As the three elements are abstract, I need to develop concrete, directly-reflected and succinctly-worded, observable items, to use in a survey (Rossiter, 2002). This is the procedure known as 'from *stems* to *leaves*' (Rossiter, 2002, p. 319). The *leaves*, the items adapted based on logic argument for each of three elements, will be the indicators for the formative Consumption Face index. I will call the index CF index for clear and simple expression in this thesis, following.

The items used as indicators must cover the entire scope of the latent variables as described under the content specification (Diamantopoulos & Winklhofer, 2001). To my knowledge, this is the first time that indicators for Consumption Face index have been identified. The

difficulties of adaption of indicators have to be addressed. There is no existing Consumption Face measure that can be applied in this research directly. Several measures have been created previously for Chinese Face, such as the Face consciousness scale (Bao et al., 2003; X.-a. Zhang, Cao, & Grigoriou, 2011); the Face concern scale (H. Chan et al., 2009) and the Face scale on buying behaviour (Z. Shi et al., 2011). Nevertheless, these measures are of limited value to my multi-dimensional concept measurement, owing to their low domain-relevance and individual uni-dimensionality. The set of items to be used to measure Consumption Face, in other words, the indicators of the CF index, should be associated with consumption, and should neither measure Face relating to behaviour outside of that domain, nor be overly context specific. I therefore extended my literature search to concepts related to consumption and social factors. Li and Su (2007) published the most relevant work to specifically measure Face-caused consumption. I re-defined the three dimensions from the traits they named, taking their scale-items as a basis for revision, along with other measurement items from a broader literature review. In general, I do not create a totally new measure, but rather adapt items from the broad literature, including those which focus on Chinese face and consumption, and those which focus on the non-functional values of consumption (e.g. Bandwagon effect, Veblen effect, and social influence on consumption).

7.1.1.7.4 The panel of experts used

Given the problems that I addressed above that there are not many indicators in the literature, a panel of experts is used through the whole process of construct development to ensure the measure correctly covers all the aspects in the domain. Also, using a panel of experts in content analysis is an effective way to ensure the validity of the measure, and to increase the precision of items' score (DeVellis, 2012; Rossiter, 2002).

I used to work as a head of marketing for a foreign FMCG brand in China, and I led an executive team there before I came to New Zealand to research my PhD. This research, studying Chinese consumers' behaviour, was initially motivated by the needs of my previous work. A precise and deep understanding of the consumer's choices is the basis for marketing strategy and promotions for brands. I frequently felt that such an understanding was lacking at the time, especially when I planned the annual strategy for RedBull. This was one drive that made me chose this research topic. Given this background, I constantly communicated with my former colleagues about my research. They were the panel of experts for my research. The team was an experienced executive group comprised of

specialists on customer research, branding, media buying, digital marketing, public relationship and event management. They are experts who know the Chinese market, situation and consumers to a considerable depth. They were aware of my research journey, and I communicated with them often, particularly during the measurement development and survey process.

The panel of experts have given a considerable number of suggestions as I developed these items, as indicators, for three elements. I asked them to suggest items that they thought would most directly measure the elements. They had meetings and discussions regularly. They were asked to focus and comment on three main issues: firstly, whether these items cover all aspects in the relevant domain; secondly, do these items belong to the same nomological net (while still being independent of each other); and thirdly, are these items easy enough to understand for ordinary people. The following specification of indicators includes their views and suggestions.

The specification and definition of the three elements of Consumption Face (Societal Conformity, Social Group-Distinctiveness and Conspicuousness) are in section 5.7, the theoretical development of CF as a multiple concept. In the indicator specifications following, I will introduce how the indicators were adapted and created, without too much discussion of the elements themselves, which have been detailed in section 5.7.

In the specification of indicators following, a set of relevant theories on Chinese face, social influence and consumption behaviour are identified and subsequently matched with the definition of Consumption Face and its construct specification. In formative constructs, the items should be independent of one another while still belonging to the same nomological net.

The next indicator specification section follows Diamantopoulos & Winklhofer (2001), inspired by Rossiter (2002) and DeVellis's (2012) idea of using experts' opinion and validating a measure on logical argument. Subsequently, I will discuss construct content validity. Again, later in section 8.2, I will discuss validity and reliability test results, following the main survey.

7.1.1.7.5 Indicator Specification: for Societal Conformity

The dimension of Societal Conformity of Consumption Face represents Chinese's willingness to conform to the trends they observe in what others do (including in-groups and

out-groups), and what they are told (i.e. by authorities, educators and media) to make themselves feel accepted. Otherwise, they will feel that their Face is lost, by not adjusting their behaviour to conform to that of others (N. Wong, Y. & Ahuvia, 1998). This is similar to the Bandwagon effect in the sense that one tends to follow what one is convinced of. One perceives pressure from failing to follow others, and the consequent risk of non-conformity with the majority (Kastanakis & Balabanis, 2011; Leibenstein, 1950). Thus, items 1 and 2 below are formed from this insight. Item 1 is designed to measure the extent of social approval through one's psychological perception of safety, by being accepted in public (not the state of being accepted by social group with people you know, but by people around you in public circumstance). This feeling of acceptance is fulfilled by one's psychological perception from others' reactions. Chinese self-concept is in part completed by others' participation in such a collectivistic community (H. Chan et al., 2009; Triandis, 2001). Item 2 is adapted to measure the extent of social approval through capturing the trends that one observes. Item 3 measures the punishment for, and risk of, not conforming, similar to an item by Li and Su (2007).

1. I feel that the purchase or use of a < product category > (the name of test product category. E.g. < a private car >) will bring a sense of acceptance in public.
2. I feel that the purchase or use of < e.g. a private car > has become popular.
3. I feel that I will lose Face before others if I cannot purchase or use <e.g. a private car >.

This item set covers consumption desire from both an internal psychological perception and an external societal observation (item 1 and item 2). Consumption Face is in the social influence domain. The influence of the CF construct arises from the social environment, which then works on the individual. Having observed the social trend (in item 1) which raises individual intention to capture it for conformity in order to be safe (in item 2), and prevent them from being punished (in item 3) is in the collectivistic Chinese culture's genes (Kacen & Lee, 2002; Markus & Kitayama, 1998; N. Wong, Y. & Ahuvia, 1998). For example, it is in the Confucian teaching of "harmony" (*he xie*) principle (Gabrenya & Hwang, 1996; Chenyang Li, 2006, 2008), in the integration and balance theory of *Yin* and *Yang* from Taoism and also in self-discipline and also in cherishing *Karma* (relationships) in Buddhism (Feng, 1948; Hershock, 2006; Shyan Fam et al., 2004) (For more details see section 2.2 earlier.

7.1.1.7.6 Indicator Specification: for Social Group-Distinctiveness

Social Group-Distinctiveness is derived from the nature of social group (*guanxi*) orientation in China. The Chinese community is structured, and people are connected by *guanxi* through social groups (Gabrenya & Hwang, 1996). Consumers often use the prestige to signal their position in social space (Belk, 1988; Y. J. Han et al., 2010). More than that, as I addressed in section 5.7.2, Chinese tend to use consumption to show their association with their social group and distinguish themselves from out-groups to reduce disapproval in order to maintain face within the group (Gabrenya & Hwang, 1996; Solomon, 1983; N. Wong, Y. & Ahuvia, 1998).

The dimension of Social Group-Distinctiveness is similar to the concept of reference group influence, in that one's choice of consumption is influenced by people who one interacts with regularly (Bearden & Etzel, 1982; Bearden et al., 1989). This dimension unfolds to two kinds of meaning: coherence with the in-group and differentiation from the out-group. Li and Su (2007) used three agreement items to measure Distinctiveness: (a) Name brand purchase is a good way to distinguish people from others; (b) What I consume should be consistent with my social status; (c) Name products and brand purchases can bring me a sense of prestige. Item (a) above relates to distinctiveness from others. I adapt this to increase specificity in new item 1 (see below). Further, both item (b) and (c) above are too general to refer to social group distinctiveness. The very general term "social status" in Li and Su's item (b) and "a sense of prestige" in their item (c) are neither closely related to coherence with the in-group nor with the distinction from the out-group. Hence, I adapt both original items (b) and (c). In China, social groups are more likely formed by one's work associates, family, friends and other people one interacts with often (Bond, 1991; H. c. Chang & Holt, 1991). Since China smashed the barrier between classes at the establishment of the People's Republic of China as a socialist society (refer to section 4.2), one's social status is mostly signified by occupation type or profession. The organisations and sub-organisations that people work within, have become fundamental, cohesive social and spatial units (*danwei*) that bind people together, and also generate communities which make work associates close social interactors (Bray, 2005). Hence, I revise item 2, that emphasises the importance of work associates, on the basis of C. W. Park and Lessig (1977)'s research. I also re-phrase item 3 by specifically referring to the influence from their social group members, including family and friends, on the basis of a scale that measures

Consumers' Susceptibility to Interpersonal Influence (Bearden et al., 1989; C. W. Park & Lessig, 1977). Item 2 and 3 thus cover all of one's social group who one cares about for face. Thus, the three adapted scale-items for measuring Social Group-Distinctiveness in this study are:

1. I feel that the purchase or use of < e.g. a private car > * is a good way to distinguish myself from people who are in different social groups.
2. To satisfy the expectations of fellow work associates, my decision to purchase <e.g. a private car > * is influenced by their preferences.
3. My decision to purchase <e.g. a private car > * is influenced by the preferences of people whom I have frequent social interaction with.

** will be replaced in the main survey with the various exemplar product categories and brands I would select as contrasting archetypes from the preliminary test candidates (see section 7.2).*

7.1.1.7.7 Indicator Specification: for Conspicuousness

As Face is a social concept, the Conspicuousness dimension points to the two indicators of one's social standing: wealth, and social status (Veblen, 1924; Eastman et al, 1997). Studies of Chinese consumption and Chinese Face also observe that wealth and social status are the states that Face represents, as they imply "success" (A. K. K. Chan et al., 2003; G. Li et al., 2012; J. J. Li & Su, 2007). Thus, the first two scale-items of Conspicuousness (see below) connect wealth and social status inspired by a social value scale and associated relevant measures (M. Kim, Kim, & Lee, 2010; G. Li et al., 2012).

Also, as a sense of social esteem that is accorded to others, Face intrinsically refers to the personal psychological satisfaction derived from inflating one's ego, specifically, from the respect others pay (Leung & Chan, 2001; Ting-Toomey, 1988). The perception of respect from others can be induced by the conspicuousness of consumption (Marcoux, Filiatrault, & Chéron, 1997; C. W. Park & Lessig, 1977). This is substantial in collectivistic China, where people see the self both relationally and situationally (Triandis, 2001). In China, historical hierarchy was even set to ensure the respect for order (for example, the five Cardinal Relationships, section 2.3.1). Hence, I revise item 3 below, based on the Face consciousness scale ("It is important for me to get praise and admiration") (X.-a. Zhang et al., 2011) and

reference influence scale (“The individual feels that the people who purchase a particular brand are admired or respected by others”) (C. W. Park & Lessig, 1977) and the social value scale (M. Kim et al., 2010; G. Li et al., 2012).

1. I feel that having < e.g. a private car >* represents greater economic strength.
2. I feel that having < e.g. a private car >* represents greater social status.
3. I feel that the people who have < e.g. a private car >* are admired or respected by others.

**will be replaced in the main survey with the various exemplar product categories and brands I would select as contrasting archetypes from the preliminary test candidates (see section 7.2).*

The indicators above are adapted from a broad literature for each of three elements of Consumption Face. The expert panel was consulted throughout. Complementarily, the expert panel listed as many consumption phenomena involving face as they could think of, and found no more exceptional factors. In other words, it is believed that these indicators above cover all observable relevant aspects. Meanwhile, they were asked to discuss the three elements respectively, in order to double check whether the indicating items of an element belonged to same nomological group, but were independent of each other. Moreover, the expert panel tested whether these items were direct enough and brief enough. Subtle improvements were discussed and accepted. These items were also deliberately checked to minimise any misunderstanding. All these procedures were intended to ensure that the items will be understood correctly in order to achieve a CF index that measures Consumption Face as precisely as possible.

7.1.1.8 Validity of this CF index

I validate this formative construct (index) through content specification based on an original “operational definition” model (Diamantopoulos & Winklhofer, 2001). This reflects C-OAR-SE’s essence, that the measure is grounded by rationalism (Rossiter, 2002), as I described above, to validate through defining the domain, the content and indicators based on logical argument. Moreover, the discriminant validity is established nomologically, through the specification of content and indicators explicated above and in the theoretical development of three dimensions of CF in section 5.7, as well as through the expert panel’s

discussions. The procedure has been done carefully and the specification is now clear. There seems no more in content specification that can be done to further meet the satisfaction of a validity check for an index. I do however provide factorial analysis after the data was collected as a side check, and other tests. What's more, the nine indicating items are not developed from scratch but rather adapted from existing measures (illustrated in, but not limited to Figure 14). These items have validity shown in their original studies.

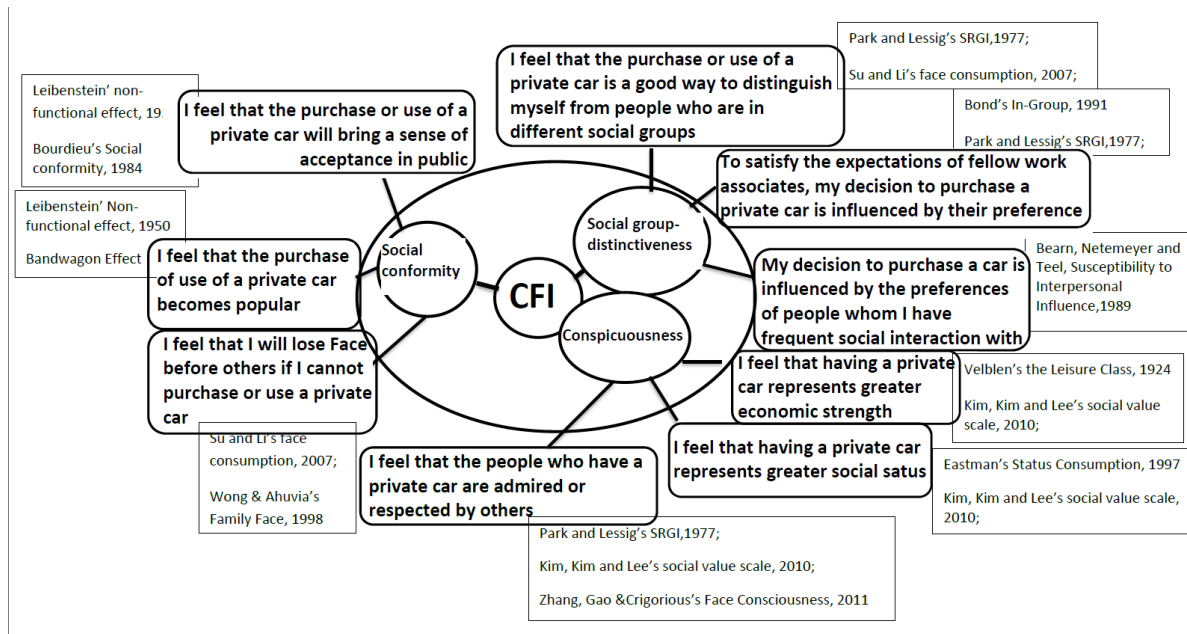


Figure 14: The Broad Resources of CF Indicators in literature

After the indicators specification, the measure for Consumption Face is formed. The completed CF construct can be shown in a new diagram (see Figure 15). The center second order construct is the CFI construct with three elements, and the first order constructs are the 9 observable indicators and all three dimensions. The format of this is discussed by Diamantopoulos in his research, in which he introduces external validity

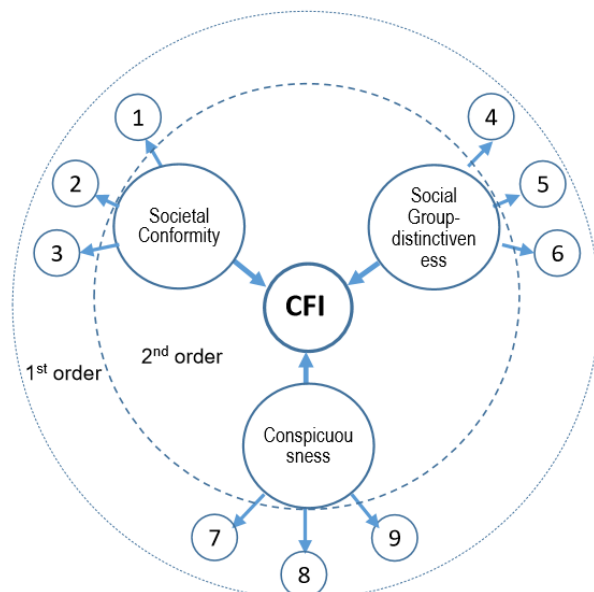


Figure 15: The Consumption Face Construct Measure

(2006). I discuss this further in section 8.2.

7.1.1.9 Response Formats of CF measure

I use Likert-scale measures in my research, inspired by Li and Su (2007), who use 7-point Likert-scales in their face consumption research. Likert-scaling is a self-rating attitude measure, where numbers are associated with different response alternatives to statements that are easily considered as favourable or unfavourable (Rosenthal, 1991). In their research, Li and Su (2007) assign 1 to “definitely disagree” and assign 7 to “definitely agree” and leave numbers 2 to 5 free for respondents to interpret their own preference. However, a true Likert-scale is one in which each number associates with different response alternatives (Rosenthal, 1991). Hence, in this research, I assign the scale numbers to stated clear response alternatives so as to be a true Likert scale: 1=definitely disagree; 2=disagree; 3=slightly disagree; 4=slightly agree; 5=agree; 6=definitely agree. I use the scaling of 6 points because the attention span and a span of absolute judgement that humans are able to deal with is seven plus or minus two (Miller, 1994). For numerical scales, five to seven categories tends to “best fit the number of psychological discriminations that most consumers can make with regards to an attribute”(Rossiter, 2002).

Furthermore, I have used a 6-point Likert-scale instead of the 7-point Likert-scale Li and Su (2007) used in their research. When the researcher needs respondents to make at least a weak commitment, an even number of responding categories is superior to an odd number (DeVellis, 2012). A 6-point Likert-scale is able to assist Chinese participants to give clear responses to the items, as they normally tend to avoid being critical, or tend to give a neutral opinion rather than show significant tendencies, owing to the cultural ideal of ‘harmony’ (Hall, 1976).

7.1.1.10 summary

Thus these nine measurement items, after the indicator specification, constitute the indicators of three elements and consequently CF index. This CF index therefore is used to measure the influence of the Face that is generated, maintained or enhanced by consumption. Consumption Face is the part of Face that is relevant to social need; it combines the social need for conformity, and the need for observable conspicuousness. The social need fulfilled by Consumption Face is similar to the desire for conspicuous consumption, status consumption, and Bandwagon Effect brand consumption as well as the need for approval of

one's social group. However, Consumption Face also differs from these as explained previously (see Table 5 in section 5.6). The combination of three elements makes the CF index distinct, via the 9-items index.

7.1.2 Operationalisation Two: Classification of age cohorts to define Young Chinese and older Chinese

7.1.2.1 Historical generational difference

As discussed earlier, Confucian doctrines have been running Chinese lives for over two thousand years. This fact had little impact on societal change until the Communist party took over the whole nation in 1949. Thus then, apart from Confucian doctrines and ideology, Chinese people were also indoctrinated by the Marxist-Maoist principles which the Communists preached. The Marxist-Maoist view emphasises frugality and a standardised simple lifestyle, purposely to support a larger and loftier cause of the party-state (Whyte, 1989; Wei & Pan, 1999). Through the suffering from hunger during the period of the Great Leap Forward in the 1950s, the suspension of education during the Cultural Revolution in the 1970s, the State decided to operate the Openness Policy in 1978, and consequently almost totally embraced Western materialism in 1990s. Thus, the pattern of consumption was altered several times by drastic societal changes. Those changes have left very clear marks on the mind-set of different generations of Chinese and on their consumer behaviour (Schütte & Ciarlante, 1998). Inspired by Schütte and Ciarlante, I revised a figure to show the rapid change from two dimensions. The vertical axis is the egalitarianism, the classlessness and the mutual ownership of all people that communist belief preached and the differentiation that economic reform brought. The horizontal axis is the traditionalism that ancient China has experienced for more than two thousand years, and the contemporary modernism we now have. In Schütte and Ciarlante's words, the change is from the unified look of Mao's time to the Yuppie fashion nowadays (see Figure 16).

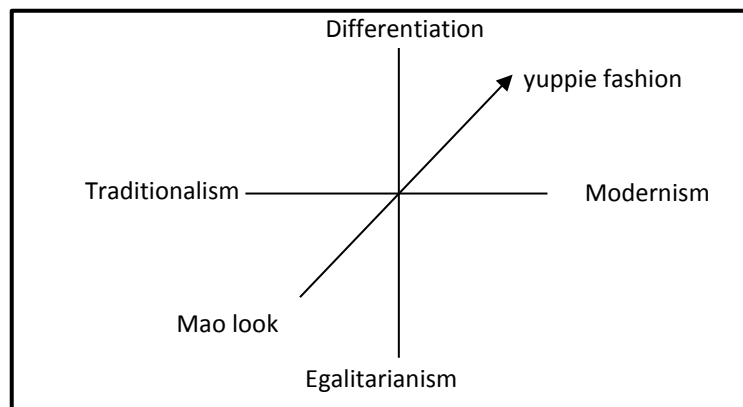


Figure 16: The Change in Consumer Behaviour in China

Resource: adapted from Schutte & Ciarlante, 1998

7.1.2.2 Classifying the different age cohorts

The socialisation process during one’s formative years sets the basic outlines for an individual’s self-concept (Katz, 1960). According to the Generational Cohort Theory (Inglehart, 1977), adults’ basic values reflect the socioeconomic conditions of childhood and adolescence. Although societal conditions can change, the relative importance that a generation attributes to various personal values remains relatively stable. To compare the different age cohorts that are experienced and influenced by the dramatic historical change in contemporary China, I need to find a relevant, useful method of distinguishing population clusters by age.

Some studies identify the young Chinese generation as the X-Generation in the same way as those identified in the US (born in 1966 – 1977) (Zhang, 2010) or born in 1977 – 1989 (Che, 2011) and the Y-generation (born in 1965-1982) according to Times Asia 2000, in Jing Zhang and Shavitt (2003). However, neither method of segmentation distinguishes any influence of the Economic reforms; especially China’s further opening up to the world in 1992. Schütte and Ciarlante (1998) propose a segmentation of the people into three cohorts: (1) the “Socialist” generation born before 1945; (2) the “lost” generation born between 1945 and 1960 and (3) the “lifestyle” generation born after 1960. However, even the youngest cohort in this segmentation, the age cohort born after 1960, is now over 50 years old and not young enough to be classified as the young group in this survey.

Also there is another popular segmentation in China that divides the population into (a) born in 70s, (b) born in 80s and (c) born in 90s. (Post 70s, 80ers, and 90ers) (F. Liu, 2011).

However, this segmentation is too general and cannot precisely reflect the historic changes. Along with the historical changes reviewed in Chapter Four, I identify the ‘event era’ as used by Podoshen et al. (2011) in which the Cultural Revolution (1966 – 1979), the Economic Reform Era (1980 – 91) and the Era of Globalization of China (1992 – present) are considered as major events giving rise to each generational consumer cohort in China. I assume here that the formative years of childhood begin at age 7 (Piaget, 2007). Also, social exposure intensifies from age 7 onwards when children begin school in China. Therefore, I identify the three generational cohorts as born at least 7 years before the events mentioned above (see Table 7).

Table 7: The Generation Cohorts’ Definition

Generation	Born between	Ages	Historical incidents in adolescence	Cultural influences
Older	1959 – 1972	41 – 54	Cultural Revolution (1966 – 1979)	Marx-Maoist > Confucianism
Middle-aged	1973 – 1984	29 – 40	Economic Reform and Open Door-Policy and Tiananmen Uprising (1980 – 1991)	Confucianism & Marx-Maoist & Materialism
Young	1985 – 1995	18 – 28	Deng's Speech in the South China emphasised Economic Development, further Reform and Opening to the world (1992); China joined WTO; the emerging of the internet	Materialism & Confucianism

The population is defined in three age cohorts:

Older generation: grew up in a socialist environment including the period of the Cultural Revolution. The communist belief and Marx-Maoist mind-set took precedence over traditional Confucianism and other traditions. This generation had little entertainment; they were not highly educated and learning much materialist meaning for their life but instead had a frugal and standardised simple lifestyle.

Middle-aged generation: the transitional generation. People in this age group are experienced and influenced by all three value systems: deep-rooted traditional Confucian

values, Marx-Maoist belief and communist values as well as new materialism followed by the change to a market-oriented economy (K. Chan, 2005).

Young generation: as totally the only-child generation, they grew up in and embraced the complete Western materialistically-orientated lifestyle, with enough disposable money and an access to abundant consumer goods and a high level of education. They have a new-found affinity for consumerism (Taylor, 2008).

7.1.3 Operationalisation Three: The classification of product category

Consumption Face as addressed in section 6.3.1 and 6.3.2, is a social concept that will tend to exert more influence on the goods that have more attached social attributes. Only in public the social attributes of goods make sense. Also, some research directs attention to the fact that Face generally works more on public products than private ones, and on luxury products more than necessities.

When I reviewed the research on social influence, I found a model developed by Bearden and Etzel (adapted from Bourne, 1957) about the reference group influence suits my need to categorise products for such social influence analysis on consumption. This model is the operationalisation of the concept of ‘Conspicuousness’ which was initially proposed by Bourne (1957). ‘Conspicuousness’ was operationalised by a dimension of consumption occasion (public vs private) and by the attribute of exclusiveness (luxury vs necessity). Using two dimensions: Public-Private and Luxury-Necessary, this model conceptualises products into four archetypical categories (also see Figure 17):

- (1) publicly consumed luxuries (PUL), (2) publicly consumed necessities (PUN),
- (3) privately consumed luxuries (PRL), (4) privately consumed necessities (PRN).

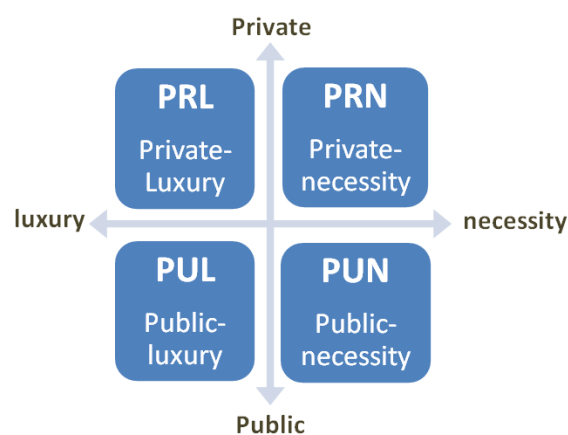


Figure 17: The Product Category Classification

Resource: adapted from Bearden and Etzel (1982)

This classification has been applied in previous studies measuring reference-group influence on product and brand purchase decisions (Bearden & Etzel, 1982; Childers & Rao, 1992; C. W. Park & Lessig, 1977). Influence of Face and reference group influence are both from significant others, and work on an individual's purchase decision making on certain products (Deutsch & Gerard, 1955; Kelman, 1961; C. W. Park & Lessig, 1977). These two influences overlap, however they differ in structure and societal importance. Such a model creates a framework by which I can operationalise the impact of Consumption Face on consumption.

The influence of others on product and brand decisions, in my research the Consumption Face Influence (CFI), appears in two forms of "conspicuousness". Firstly, the conspicuousness of a *product* mainly relies upon whether one possesses it or not, distinguishing 'haves' and 'have nots' (Davis, 2000). In this case, a product must be "exclusive". If almost everyone has it, it is not conspicuous any more. Hence, it is operationalised here as signified by the difference between luxury and necessity. Necessities are defined as possessed by everyone, while luxuries are exclusive. Secondly, the conspicuousness of a brand mainly relies upon whether it is seen and identified by others. This can be defined as the consuming occasion, or *where* the item is consumed, that is, whether it is publicly or privately consumed (Bearden & Etzel, 1982; Bourne, 1957).

After classification of the product categories, it is necessary to select proper representative or archetype category products that are to be measured in the main survey to represent each of four categories (PUL, PUN, PRL and PRN). Hence, a preliminary test for that selection is conducted.

7.2 Preliminary Test: Product Categories Selection

7.2.1 Selection of updated product categories

The preliminary test was also inspired by Bearden and Etzel's research in 1982. To my knowledge, there are few studies which contrast the influence of Face on luxury and necessity goods, or on public and private consumption by using Bearden and Etzel's model that I have chosen to use (Brinberg & Plimpton, 1985; Chapa, Minor, & Maldonado, 2006;

Childers & Rao, 1992; Fisher & Price, 1992; Piron, 2000). However, as the material culture of the Chinese population has dramatically developed over the last few decades, and also because of the different cultural background, the previously selected representative category-products using this method in China (Z. Shi et al., 2011; L. Zhou & Wong, 2008) or in other countries (Bearden & Etzel, 1982; Childers & Rao, 1992; C. W. Park & Lessig, 1977) are unsuitable for the present study. For example, my Chinese preliminary test reveals that the “private car” is definitely taken as *luxury* by all age cohorts. In contrast, it is normally viewed as a *necessity* in Western societies (Morin & Taylor, 2009). Thus, my preliminary test was designed to select market-appropriate product categories to measure CFI in a survey.

7.2.2 Selecting product categories for each age cohort to measure CFI more precisely

In addition, I consider that separate specific product sets are needed for each generation as there are differing perceptions regarding the configuration of the quadrants (PUL, PUN, PRL, PRN) by people of different ages. For instance, only the Older age people in the preliminary test selected the bicycle as an archetypical product of public-necessity (PUN), because the bicycle was essential transport for families when they were younger (China used to be called “the Kingdom of bicycles” in the 1980s (Y. Yan, Xu, & Xu, 2013). Today however, the younger generation use bicycles far less. Consequently, different sets of age-appropriate product categories were selected for different age cohorts (the Young, aged 18 – 28; the Middle-aged, aged 29 – 40; the Older, aged 41 – 54).

7.2.3 Methodology

A preliminary list of 80 daily-use products was developed by a focus group and a questionnaire was designed for the respondents in each age group to indicate their degree of agreement about each of 80 products in two dimensions: ‘luxury or necessity’ and ‘public or private’, on 6-point Likert scales. The 80 products are listed in Appendix 2.

7.2.3.1 Questionnaire design

In the questionnaire, respondents in each age group were requested to indicate the degree of their perceptions about 80 products from the luxury-necessity dimension, followed by indicating the publicly-privately used dimension. Those two measurements are made by a series of 6-point scales, not the commonly used 5 or 7-point scales. The questionnaire was

first designed using 7-point Likert scales, inspired by Bearden and Etzel's research (1982). However, in the first trial run of data collection the respondents showed a strong tendency to choose the middle mark 4 for many items. This might be because Chinese people, concerned with harmony, normally tend not to show a strong emotional tendency. Thus, for better discrimination, I collected the data a second time using the 6-point scales to force participants to make non-central responses.

At the beginning of the questionnaire, the instructions described necessity as being necessary for ordinary, day-to-day living, while luxuries, on the other end of that dimension, were described as not needed for ordinary, day-to-day living (Bearden & Etzel, 1982). Additionally, respondents were reminded that luxuries were not identified by high price, but by the exclusivity that are not owned by everyone. This is because in China, there are no exact Chinese characters which convey the meaning of "luxury" here. Luxury in Chinese is commonly 奢侈 (*she chi*) which refers more to luxury brands and expensive commodities. The extra definition was provided to avoid misunderstanding.

The same randomised 80 items were then rated by the participants as being publicly or privately consumed. The definitions were provided as follows:

* A public product is one that other people are aware you possess and use. If they want to, others can identify the brand of the product with little or no difficulty.

* A private product is one used at home or in private at some location. Except for your immediate family, people would be unaware that you own or use the product (Bearden & Etzel, 1982, p. 186).

The 6-point scales were labelled: (1) a public product for everyone, (2) a public product for almost all people, (3) a public product for the majority of people, (4) a private product for the majority of people, (5) a private product for almost all people, and (6) a private product for everyone. The questionnaire is in Appendix 2, and the online panel data collection pages are referred to in Appendix 3.

7.2.4 Regarding translation equivalence

Due to language issues, translation equivalence must be considered (Brislin, 1970; Mullen, 1995). Following Craig and Douglas (2005)'s suggestion, I designed the original questionnaire in English, and it was translated into Chinese by a bilingual native speaker.

The Chinese version was then translated back into English by another bilingual speaker and compared to the initial English version by an independent scholar. Discrepancies in the translation were carefully inspected and corrected to ensure the translation equivalence of the questionnaire.

7.2.5 Data collection

This preliminary test was conducted in June-July 2013. I collected the data twice. First the respondents were selected through my social network and relatives in China. The respondents were required to complete the online questionnaire made by Google Form. However, the size of the data set was not big enough for reasonable statistical power (only 39 in total) and the results showed no distinct difference, likely due in part to the 7-point scale.

Hence, the data was collected again, this time using a well-known online data panel, Taidu8 operated by Data100 firm. 197 cases were drawn initially and a total of 116 useable responses were retained for the three age groups (the Young, the Middle-aged and the Older).

Each of the 80 items had two scores from two dimensions, i.e., public-private and luxury-necessity. Based on the two scores marked by the two dimensions, each product shows its degrees on both attributes. By ranking their attributes, I listed the typical products representing each category of four (PUL, PUN, PRL, and PRN). The results of ranking are shown in Appendix 4.

I put their scores in a scatter plot (for a better view of them on the two dimensions) for a direct illustration (see figure 18). The shapes in red with name beside indicate the selected typical products representing each category of the four (PUL, PUN, PRL, and PRN).

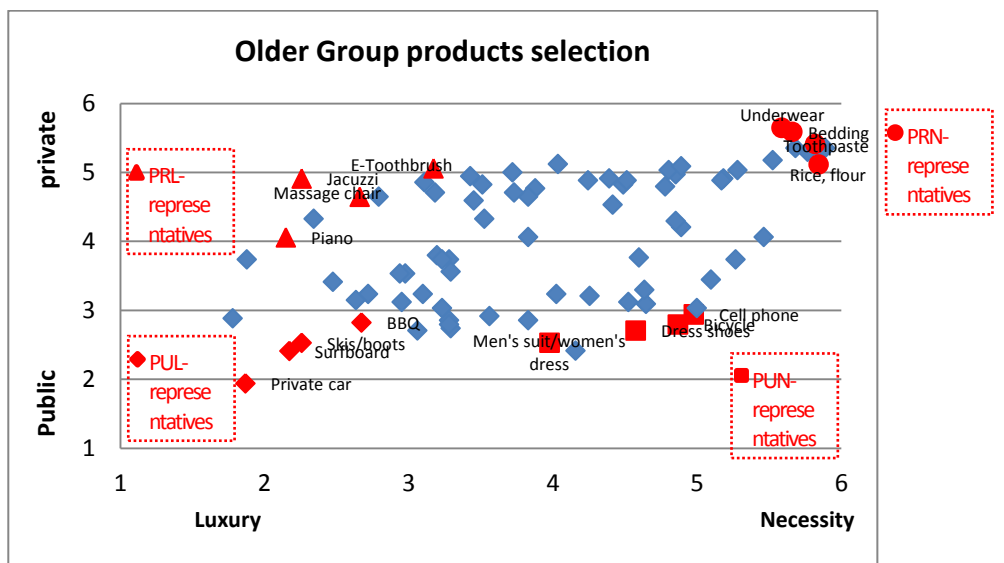
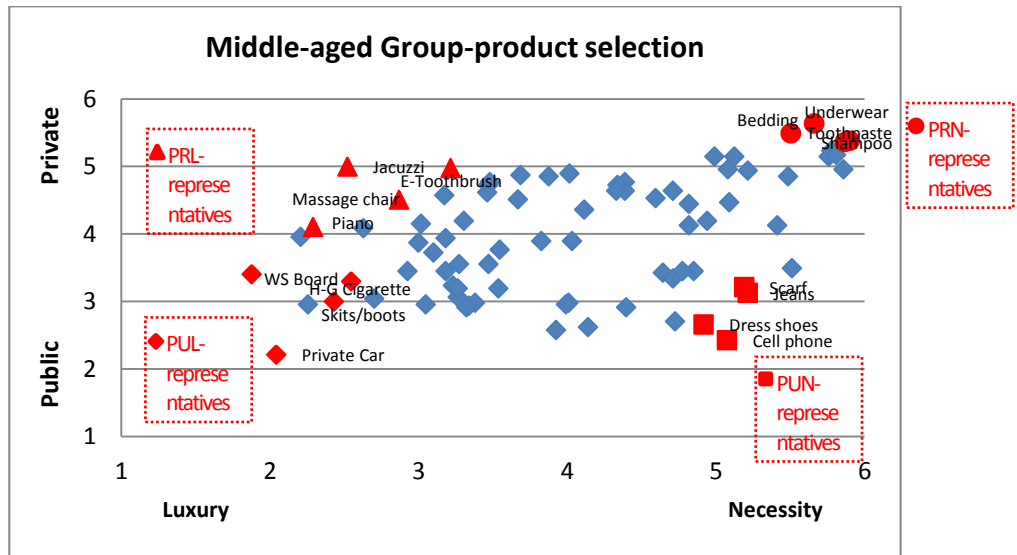
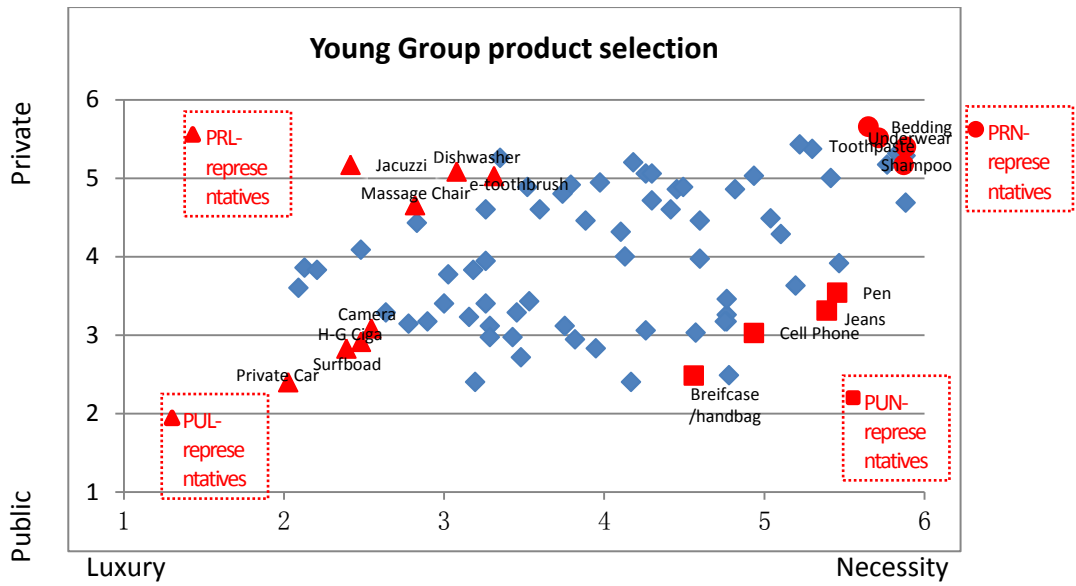


Figure 18: Selected Representative Products in Scatter Plots

Through the following qualitative interviews, four archetypical products were selected to represent each of the four quadrants (PUL, PUN, PRL, PRN), specific for each age group (see Table 8).

ANOVA supported the differences on the two dimensions amongst these four quadrants across all three age groups at the 95% confidence level, conforming instrumentality.

Table 8: The Products Selected for 4 Categories

Young (18-28) n=35	Middle-age (29-40) n=47	Older (41-54) n=34
Public-Luxury (PUL)		
Private car (foreign brand)	Private car (foreign brand)	Private car (foreign brand)
Surfboard	Windsurfing board	Surfboard
Professional camera	Skis/Ski boots	Skis/Ski boots
luxury cigarette	luxury cigarette	Outdoor BBQ
Public-necessity (PUN)		
Cell phone	Cell phone	Cell phone
Jeans	Jeans	Bicycle
Briefcase/handbag	Scarf	Men's suit/women's dress
Pen	Dress Shoes/high heels	Dress Shoes/high heels
Private-luxury (PRL)		
Jacuzzi	Jacuzzi	Jacuzzi
Dishwasher	Piano	Piano
Massage chair	Massage chair	Massage chair
Electric Toothbrush	Electric Toothbrush	Electric Toothbrush
Private-necessity (PRN)		
Bedding	Bedding	Bedding
Toothpaste	Toothpaste	Toothpaste
Underwear	Underwear	Underwear
Shampoo	Shampoo	Rice, flour

7.3 The Main Survey

The main survey is designed in part to find how Chinese in different age groups are influenced by CFI towards four different product categories and brands by the two dimensions (public-private and luxury-necessity). The sample needs to be nationwide to match the national demographic attribution, in three age cohorts.

Briefly, the division of the groups in the main survey are:

3 Ages groups \times 2 contexts (product categories / brands decisions) \times 4 groups of archetypes (PUL, PUN, PRL, PRN)

7.3.1 Methodology: data collection process

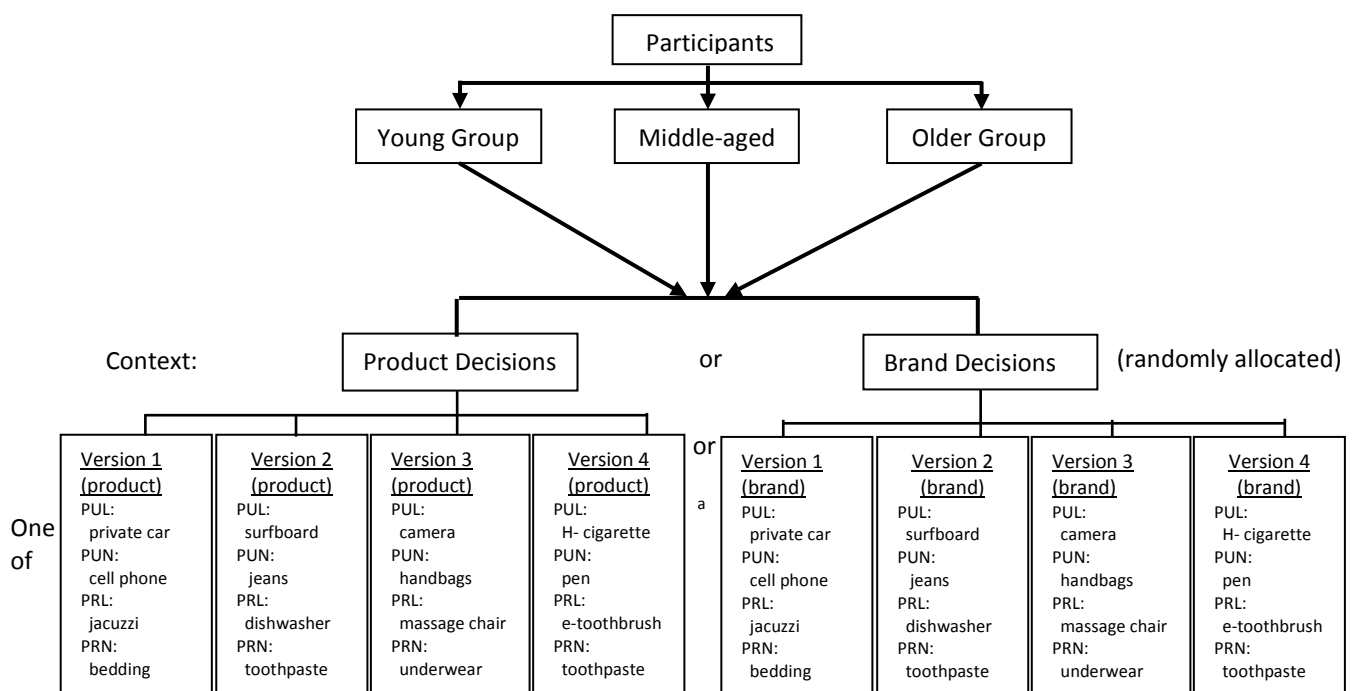
The research design calls for CFI evaluations of product and brand purchase decisions for four groups of archetypes (PUL, PUN, PRL, PRN) of 16 products, for a total of 32 evaluations (16 for product decisions and 16 for brand decisions). To have a manageable questionnaire, it was decided that an individual respondent should be required to deal with a total of four evaluations only, to reduce the fatigue and to reduce the partial- and non-response rates. Thus, eight different versions of the survey instrument were constructed for each age group. Four versions contained only product decisions, and four contained brand decisions. Each of the four products was selected from each of the four categories—PUL, PUN, PRL, and PRN, to make up each version. Thus, each individual respondent, answered the questionnaire containing the questions regarding the product or brand decisions for four different products representing each of the four categories. The order of the product categories was randomized across the eight questionnaire versions to avoid order bias. As three age groups were being investigated, there was in total 24 versions of questionnaires ((4 product versions + 4 brand versions) \times 3 age groups). The questionnaire and sample configurations are shown in Figure 19.

To clarify, the process of participation is described as follows.

In the process of data collection on the online panel, the participants were asked to indicate their age, and then they were assigned to the relevant version. For unsuitably aged participants (younger than 18 or older than 54), the participation process was terminated by a thanks page (the panel responding pages appear in Appendix 5). The qualifying participants belonging to one of the three age groups were then randomly assigned to one of

two contexts (Product Category or Brand), and finally randomly assigned to one of four groups, each group comprising four product or brand archetypes (PUL, PUN, PRL, PRN) optimally selected from 80 products mentioned previously in the preliminary test. In other words, for each age group, these 4×4 product category configurations and 4×4 brand configurations (32 evaluations in total) were optimally blocked into 8 versions to ensure that each participant dealt with only 4 evaluations each, so as to avoid respondent fatigue (see Figure 19). After responding to these 4 evaluations, the participants indicated their demographic figures on the demographic page. To eliminate repeated responses, participants were limited to participating in the survey once only, by recognition of their web ID (referred to in Appendix 5).

Figure 19: The Sample Flows



The online panel responding pages of the process are referred to in Appendix 5.

7.3.2 Data collection

The survey was conducted in China during August and September of 2013. The CF index was initially adapted from English, so back-translation was used to ensure equivalence (Brislin, 1970). The panel sample (n=3915) were recruited China-wide by the reputable, representative online data panel, Taidu8, to match the Chinese population and distributions.

Responses consistency and understanding test questions were built into the survey to eliminate some insufficiently-considered respondents. 2141 usable participants' data were retained.

7.3.3 Quality control

7.3.3.1 Control of sample quality

Even though there is increased reliance on online surveys (Downes-Le Guin, Baker, Mechling, & Ruylea, 2012), the biggest concern when collecting data online is its reliability. Results from participants who are not sufficiently motivated to give precise answers can reduce the quality of the data. Those behaviours are often labelled as 'random', 'careless', or 'inconsistent' responding (J. L. Huang, Curran, Keeney, Poposki, & DeShon, 2012; McGrath, Mitchell, Kim, & Hough, 2010). Though the questions were deliberately operationalised to reduce misunderstanding and to avoid respondent fatigue, this still could not be avoided.

After two questionnaire trials on the online panel, four methods in the main questionnaire version were applied during, and after the collecting process, in order to distinguish the carelessly- responding cases.

7.3.3.1.1 Response Time Approach

The response time approach is the best way to detect insufficient effort responses by identifying a shortened response time because of the absence of cognitive processing (J. L. Huang et al., 2012). The time a respondent used can be recorded by the online panel, and 2 minutes was determined via a pre-test as the *minimum* time to complete each questionnaire with adequate attention to detail. Therefore, the 815 participants who completed the survey within 2 minutes were considered to be insufficient efforts, and were filtered out by this approach (see, the sample selection process record).

7.3.3.2.2 Inconsistency approach

The inconsistency approach has been effectively applied to identify random responses offered by unmotivated participants with inconsistent responses (Archer & Elkins, 1999; Baer, Ballenger, Berry, & Wetter, 1997; Baer, Kroll, Rinaldo, & Ballenger, 1999; Morey & Hopwood, 2004; Wetter, Baer, Berry, Smith, & Larsen, 1992). This approach generally uses matched item pairs and compares the two responses (Pinsoneault, 1998). In this research, I

repeated a same responding item at the beginning and end of the survey process to check consistency. 305 cases with inconsistent responding choices were filtered out by this approach.

7.3.3.2.3 Indication-testing questions

To filter the careless responding participant, there is an extra question buried in the questionnaire. This question asked the participant to choose a certain item from a list. The participants who choose a wrong item were considered to be careless participants who did not read the question carefully. Hence, 313 cases were filtered out by the indication-testing questions.

7.3.3.2.4 Understanding-test questions

The understanding-test questions were also used to further detect unsuitable participants. In the questionnaire, one of the 9 scale-items was rephrased into another item for participants to respond to, in order to test the consistency of their understanding. For example, the item “I feel that having a cell phone represents greater economic strength”, is also rephrased as “I feel that having a cell phone represents greater wealth.” These two statements in Chinese mean almost the same. The participants who answered these two items inconsistently were considered to neither understand the scale-items nor read the questions carefully. Hence these careless participants were removed; this amounted to 341 cases.

As a consequence, 2,141 useable participants’ data resulted (n=547, the Young (aged 18 – 28); n=938, the Middle-aged (aged 29 – 40), and n=656, the Older (aged 41 – 54)). 930 cases were used for the product category decision analysis and 1,211 cases for the brand decision analysis (see Table 9).

Table 9: The Sample Selection Process

Approach	Cases	Gro up 1	Gro up 2	Gro up 3	Gro up 4	Gro up 5	Gro up 6	Gro up 7	Gro up 8	Total cases
Initial collected data		366	398	533	531	692	474	411	509	3915
After Response Time Approach		292	303	394	371	592	384	333	430	3100
After Inconsistency Approach		253	275	362	338	547	346	307	367	2795
After indication Testing- Question										
Age group 1		80	79	56	66	126	102	53	74	636
Age group 2		102	95	125	128	200	151	130	138	1068
Age group 3		58	65	125	101	152	81	90	105	778
Sub total		239	239	306	295	478	334	273	318	2482
After Extra Understanding Testing Question										
Age group 1		68	69	49	53	108	86	49	65	547
Age group 2		91	95	114	114	160	117	120	127	938
Age group 3		52	59	73	93	146	76	83	74	656
Sub total		211	223	236	260	414	279	252	266	2141

7.3.3.2 Quality control by the questionnaire design: minimising respondent burden

This research was designed for collection of data through an online panel. Hence, in order to reduce ‘respondent burden’ (BradBurn, 1977) for more credible results, the questionnaire was specifically designed.

- 1 The length of participants’ response time was reduced by dividing the research into 4 questionnaire versions with 16 category representative items (the same 4 versions as brands decision). For each respondent there were only 4 items to mark via 9 scale-items. In other words, 36 marking statement items and 8 demographic questions by choosing, these total 44 ‘clicks’ could be completed within a reasonable period of time.
- 2 The amount of effort (cognitive and otherwise) required from each participant was reduced by repeating the same 9 scale-items 4 times. Participants will understand the process at the first time of measuring 9 scale-items. Afterwards, participants do not need to make much effort to understand the process after three times repeatedly measuring. This will reduce their fatigue.

- 3 The language of all 9 scale-items was deliberately edited with the help of several experts who edited and corrected the items from time to time, to ensure the measuring items were correctly expressed, as well making it short and straightforward to minimise misunderstanding. In addition, an introduction and instructions for every section were provided.

All these efforts were made to ensure the process of answering the questionnaire could be completed by ‘self-administered’ respondents without face-to-face contact with an interviewer.

7.4 Summary

In this chapter, I introduced how I operationalised the research questions. I firstly developed the Consumption Face measurement scale-items then classified three age cohorts in order to compare the CFI between them. After that, I classified product categories that were to be used to compare consumers’ CFI on. Then, I conducted a preliminary test to select proper archetypical products for each category that was used in the main survey for participants to respond CFI scale-items.

When these preliminary tests had been prepared, I conducted the main survey to collect data for CFI research analysis. By using an online panel, recruited participants were divided into three age cohorts, and they were required to respond with their preference for each typical category product according to the CF index operationalised earlier. After applying the deliberate quality control instruments above, 2141 useful qualified samples were retained for further analysis. In Chapter Eight, I present each study I designed in section 6.3, and the analysis results for each, followed by a discussion.

PART IV: STUDIES AND RESULTS

CHAPTER EIGHT: STUDIES AND RESULTS

8.1 Overview

This chapter covers many studies and results. First, in Study 1, I will verify the CFI measure, which is essentially an index that was developed in section 7.1.1. I use the CFI index to measure and compare the difference between young Chinese and preceding generations in Study 2. In Study 3, more broadly, I test CFI differences between product category and brand purchase decisions across three age groups. Also in Study 3-B, I use other demographic factors that were collected from the main survey to compare their relationship with CFI for discovering more insights. Study 4 is designed to test the effect weights of three dimensions of CFI in relation to each category, aiming to find to what extent each of the three dimensions influences different category decisions. In Study 5, the CFI data is used to compare the results of a published journal paper in which the author tests whether the farming pattern relates to the formation of individualism and collectivism. This chapter concludes with a discussion. All hypotheses test results and findings are summarised in Table 29.

8.2 Study 1: Verification of the CFI Measure

As I developed in section 5.7, Consumption Face is a multi-dimensional concept, comprising three dimensions: Societal-conformity, Social Group-Distinctiveness and Conspicuousness. As was addressed in the operationalisation section 7.1.1, these three dimensions are the three elements of Consumption Face index in measurement, and three measurement indicating items have been developed for each of three elements (9 items in total). The first objective before applying the measure to the survey to test theory is to verify this measure set.

Recall the hypotheses I formulated in study design 6.3:

As it is observed that Face influences the consumption of publicly visible products (see section 6.3.1 and the Preliminary Test), it is proposed that:

Hypothesis 1: if the developed CF measure is appropriate, the results will demonstrate that Consumption Face is associated with the consumption of publicly consumed products more than the consumption of privately consumed products.

As it is observed that Consumption Face influences luxury products (see Preliminary Test), it is proposed that:

Hypothesis 2: if the developed measure is appropriate, the results will demonstrate that Consumption Face is associated with the consumption of luxury products more than the consumption of necessity products.

8.2.1 Method

To verify the measurement, I use all of the 2141 useable participants' data collected in the main survey. I measured Chinese consumer agreement on the 9 CFI items (3 items × 3 elements) in the context of purchase decisions made on the archetypical product categories that were selected in the preliminary test. All measures are 6-point Likert-scale items (1=definitely disagree, through to 6=definitely agree). The mean rating of the 9 items is considered the CFI index, as inspired by Bearden and Etzel in their reference group influence measurement development (1982).

8.2.2 Results and discussion

8.2.2.1 Overall results and meeting the Cronbach alpha statistics

To further test the reliability of the developed items, I calculated Cronbach alpha statistics for all three dimensions (Conformity, Social Group-Distinctiveness and Conspicuousness) each with three items. The three dimensions were found to have Cronbach alpha reliability statistics of 0.81, 0.812 and 0.924 respectively, meeting the threshold for acceptability (Cronbach, 1951).

MANOVA test results indicate that substantial differences exist in all consumer perceptions of Face influence across the four quadrants (PUL, PUN, PRL, and PRN) (see the Product Configuration column in Table 10). In addition, the CFI index (the mean Consumption Face Influence scores), differs between both luxury-necessity dimensions and public-private dimensions at the 95% confidence level (see LN & PP columns in Table 10). This shows that the framework of using a four-quadrant approach is appropriate for Consumption Face Influence research.

Table 10: Study 1- Overall Results of MANOVA Analyses (All Age Groups)

		Between-subjects factors	Within-subjects factors		
N=2141		Grouping: Product configuration (PC)	Luxury vs. Necessity (LN)	Public vs. Private (PP)	Interaction: LN × PP
Total	f-value	44.76	30.75	71.78	31.74
	Df	3	1	1	1
	P-value	..00	.00	.00	.00

8.2.2.2 A t-test on the difference of CFI for luxury and public attributes

To test the hypotheses, I use paired-samples t-tests to see the differences of CFI on the two attributes: public-private and luxury-necessity.

Table 11: Study 1- CFI on Luxury-Necessity by Paired-samples t test

n=4282	Mean	t-value	Sig. (2-tailed)
Luxury	3.78	12.98	.00
Necessity	3.67		

Table 12: Study 1- CFI on Public-Private by Paired-samples t test

n=4282	Mean	t-value	Sig. (2-tailed)
Public	3.82	18.97	.00
Private	3.64		

As an additional confirmation to the MANOVA test of all results (see Table 11 and Table 12), the paired-samples tests also show both the luxury-necessity dimension and the public-private dimension are an appropriate instrument at the 95% confidence level. Consumption Face influences the purchase of luxury products significantly over necessities: this strongly supports hypothesis *H1* (see Table 11). In addition, Consumption Face influences publicly consumed products significantly over privately consumed products. This strongly supports hypothesis *H2* (see Table 12).

8.2.2.3 Factorial analysis

As a formative construct, all elements of CF are necessary components (in the convergent validity sense) and the divergent validity is established by nomological argument. Therefore, factorial analysis seems unnecessary. However, I conducted a factorial analysis for double-checking the item grouping in the measure. The result is supportive (see Table 13).

Table 13: The Factorial Analysis of CF indicators: rotated factor pattern

elements of CF index	indicating items	Component		
		1	2	3
Societal Conformity	1. purchase brings sense of acceptance	.594	.883	.462
	2. notice this becomes popular	.532	.912	.458
	3. lose face if not purchase	.786	.701	.523
Social Group-Distinctiveness	4. purchase a good way to distinguish from other groups	.842	.544	.545
	5. purchase satisfies work associates' expectations	.602	.489	.935
	6. purchase satisfies friends & family, etc.	.541	.487	.944
Conspicuousness	7. purchase represents economic strength	.905	.535	.537
	8. purchase represents social status	.926	.547	.524
	9. purchase leads to respect	.905	.588	.543

8.2.2.4 Reliability and validity

Traditional, popular procedures designed to examine validity and reliability for scales of reflective construct are not suitable for composite variables (causal indicators) in a formative construct, in which the index is defined as a linear sum of measurement (Bagozzi, 1994; Bollen, 1989; Diamantopoulos & Winklhofer, 2001; Nunnally & Bernstein, 1994). A good example Bagozzi used to explain the linear sum is alcohol consumption (1994): it is not meaningful to name it a latent variable and use the amounts of beer, wine and spirits as reflective indicators because some people only drink beer and some others only wine, or only spirits, or a combination of these. Hence, "Reliability in the internal consistency sense and construct validity in terms of convergent and discriminant validity are not meaningful when indexes are formed as a linear sum of measurements." (Bagozzi, 1994, p. 333). Also, to assess a formative indicators' validity is problematic, because the indicators are exogenously determined (Bollen, 1984, 1989). Indeed, "internal consistency is of minimal

importance because two variables that might even be negatively related can both serve as meaningful indicators of a construct” (Nunnally & Bernstein, 1994, p. 489).

This also explains why weighting is not needed for formative indicators. It is unwise to do it from item-criterion correlations (Nunnally & Bernstein, 1994). This is because we do use weighting to eliminate the low correlated items and keep the high ones. However, the low correlated ones may be conceptually important so may need to remain. Since weighting is used to eliminate low weighted items, and a formative construct does not have discretionary items to choose amongst, weighting is little use.

In a reflective construct, all indicators of a variable should co-vary at a high level, while the “responses to items comprising an index need not correlate highly and people scoring high (or low) on the index can do so with vastly different response on each item” (Bagozzi, 1994, p. 333). The measure of latent traits by reflective indicators are more precise than those of an index. The error of a construct is split out by latent variables, which can be made more reliable via testing data, while a formative construct does not have this option. This is why the commonly used structural equation model (SEM), which is often used to assess unobservable variables, is not appropriate and is not applied here; the exception is the multiple indicator, multiple cause (MIMIC) model (Bagozzi, Fornell, & Larcker, 1981; Diamantopoulos & Winklhofer, 2001) which assesses only the external validity (Diamantopoulos, 2006). I did not use this method because I relied on the content validity suggested by Rossiter (2002), Nunnally and Bernstein (1994) and DeVellis (2012) who suggested it by adaption of experts’ opinion. This MIMIC external validity is a side test that relies on another two latent constructs that have the essence of the testing construct and will be predicted by the testing construct, in order to assess “how well this index relates to measures of other variables” (Bagozzi, 1994, p. 333; Nunnally & Bernstein, 1994). The present research aims to conceptualise a Consumption Face construct rather than focus on its relationship with other concepts. Hence, when I conducted the survey, I could not identify two other exist variables that have the essence of CF and which would also be predicted by it. All I needed to use to measure CF has been included in the survey: how CF influences luxury, necessity, public and private consumed product category and brand. In addition, apart from being beyond the scope of this research, involving MIMIC would be much more complicated. I did not need to invoke extra assumptions. Involving another two constructs would also enlarge the load of respondents’ work and cause fatigue. To find a

good theory, one should have as few assumptions as one can manage. Altogether, I did not apply this MIMIC method, though this may be seen as limitation.

8.2.2.5 Summary

The reliability test, the Cronbach alpha reliability statistics, and nested design results (see Table 10) suggest the reliability of the CF index. The factorial analysis and also the nested design results, complement the content validity tests by specifying the domain, the construct and indicators described in section 7.1.1.7, as well as the validation by the panel of experts.

Again, I adapted these indicators rather than developed them. All nine indicator items are derived from broad literature, from what others have used, revised, from both Chinese and Western sources. They are carefully checked and nomologically well argued. Most of the indicators are reported as reliable and valid in their initial research. Authors cited them frequently, and checked them again in their own work. My contribution is to test whether they are working in my study. Cronbach alpha checking shows they are all working; the results in this test and following tests demonstrate that they work satisfactory. The Consumption Face exists and it works on various types of consumption decisions.

What this research needs in a measurement is a direct, simple index. The focus of this research is not any advance in statistics or methodology, but is about the antecedent and implication of Chinese face in order to present the existence of Consumption Face. The contribution of this research is a new concept, not a measurement. The core three-element CF construct is a simple model. According to Occam's razor theory, the simpler a model is, the stronger, the more convincing the model is, and the fewer assumptions there are to test. I am not relying solely on statistical tests. For example, I did not ask more than three questions by which one may obtain better measurement statistics, but which may also lead to the trouble that Rossiter mentioned: if I had asked trivially similar questions, the Cronbach alpha could have been really high (2001). This research only needs a simple and useful index to test whether CF exists, and to compare the differences, as designed. In this sense, the current CF index has proved as a reliable, valid index, as it meaningfully indicates in the data that Chinese consume different products differently, because of Consumption Face.

In addition, the results support both hypotheses (*H1* and *H2*) that Consumption Face is associated with consumption of luxury products more than necessities, and is associated

with consumption of publicly consumed goods more than privately consumed goods. They also verify the well-observed phenomenon in China that the concern for Face influences the purchase of public products and luxury products (Monkhouse et al., 2012; Z. Shi et al., 2011; N. Wong, Y. & Ahuvia, 1998; L. Zhou & Wong, 2008). Thus, altogether, Consumption Face is an intangible socio-cultural factor and invisible determinant that consistently influences Chinese purchase decision making on visible material possessions.

8.3 Study 2: Using CFI to research the Influence of Face on Young Chinese Consumers

8.3.1 Recalling the hypotheses

As discussed in section 4.5.5, young Chinese consumers are arguably more individualised, due to increased Western influences. The hypothesis I formulated in section 6.3.2 for such examination is:

H3_a: Consumption Face influences young consumers less than it does preceding generations.

Also, as I discussed in section 6.3.2 the converse argument may also be true, given that young Chinese may use consumption more than older age groups to maintain and enhance individual Face, as well as to start and maintain social networks, so the alternative hypothesis to H3_a is:

H3_b: Consumption Face influences young consumers more than it does preceding generations.

8.3.2 Method

The participants in the main survey who responded to the product categories decisions were selected in this study 2 test only, and were not the participants who responded to the brand decisions. This is because I will compare the difference of CFI between the product decisions and brand decisions in the following study 3, and also this reduces any the confusion when examining the results in this study 2. Altogether 929 useable participants were selected in this step of the study from each of three age cohorts (n=238, the Young; n=414, the Middle-aged; and n=277, the Older). They were asked to show the extent of agreement with the archetypical product categories selected in the preliminary test for their age cohorts respectively, by using the CF index.

8.3.3 Results

I found that the difference of the CFI on publicly consumed product purchase decisions increased as age cohorts became younger, particularly for public-luxuries (PUL) (see Table 14). The highest CFI was perceived by young people for public luxuries such as cars and cameras, although there was no such trend for the other categories (PUN, PRL and PRN), and the result does not support H3_a that young consumers are less influenced by Face than

older generations. Rather, for publicly consumed luxuries, I found strong evidence for the opposite, that young Chinese perceive stronger Face influence than older Chinese. This finding strongly supports $H3_b$.

Table 14: Study 2- CFI of Three Age Cohorts

Age \ treatment	N	PUL	PUN	PRL	PRN
Young (18-28)	238	3.72 ^{*ab}	3.48 ^{bc}	3.62 ^d	3.22 ^{acd}
Middle-age (29-40)	414	3.55 ^{*e}	3.44 ^{fg}	3.60 ^{fh}	3.26 ^{egh}
Older (41-54)	277	3.45 ^{*ij}	3.46 ^k	3.63 ^{il}	3.18 ^{jkl}

* $p < .05$.

Notes: Difference between categories (^a through ^l) are supported by GLM and post-hoc tests at the 95% confidence level

8.4 Study 3: Testing CFI Difference between Product and Brand decisions

Study 3 tests CFI on product and brand categories respectively.

8.4.1 Recalling the hypotheses

As I stated in Chapter Six, 6.3.3, brands have more embedded social value compared to the more utilitarian product category, and Consumption Face, as a social factor, is presumed to influence product categories and brands to different extents. Thus, in Study 3 I tested the comparison expressed in hypothesis *H4*.

H4: The influence of Consumption Face on brand decisions is greater than that on product category decisions.

Also, the testing categories have both two attributions: luxury and publicity. Both attributions are relevant to the influence of Consumption Face influence because of the exclusiveness or the consuming occasion (public or private). Hence, for product categories, my next hypotheses are based on possession:

The influence of Face on product decisions:

H5_a: depends on the attribute of luxury vs. necessity.

H5_b: does not depend on public vs. private consumption.

And,

the hypotheses for brand purchase decisions are:

The influence of Consumption Face on brand decisions:

H6_a: depends on public vs. private consumption.

H6_b: does not depend on the attribute of luxury vs. necessity.

8.4.2 Methods

In this survey when participants who were randomly assigned to respond to different brand decision versions, were instructed to measure the CFI of brands, they were firstly required to write down the brand name representative of the categories (i.e. “please name one brand for the category of camera”). This was to ensure that their frame of reference related to respondent-relevant brands (Canon, Nikon) and not the product category (camera). They

then responded to the measurement items that addressed motivations for brand choice (for example, the item which measures the conformity dimension for this product category is: “I feel that having a camera will make me be accepted by others” was changed to “when I make a purchase decision for a camera, I prefer the brand that makes me feel accepted by others”). All of the usable panel sample (n=2141) are used in the study 3.

8.4.3 Results and discussion

The CFI index differs significantly for all 3 age groups for both product and brand contexts across both public-private and luxury-necessity dimensions in the sampled population at the 95% confidence level, except for the older group where the data did not support differences along the luxury and necessity dimension (see Table 15).

Table 15: Study 3- Overall Results Analyses

	Young (18-28)			Middle-age (29-40)			Older (41-54)		
	f-value	df	p-value	f-value	df	p-value	f-value	df	p-value
n=2141									
Between-subjects factors									
Decision:									
Product vs. Brand (PB)	105.32	1	..000	262.93	1	..000	133.43	1	..000
Grouping:									
Product configuration (PC)	22.28	3	..000	15.83	3	..000	13.11	3	..000
Interaction: PB *									
PC	5.06	3	..002	4.81	3	..002	7.17	3	..000
Within-subjects factors									
Luxury vs. necessity (LN)									
public vs. private (PP)	17.69	1	..000	13.99	1	..000	3.32	1	..068
Interaction: LN *									
PP	38.11	1	..000	20.33	1	..000	19.37	1	..000
	7.65	1	..006	10.10	1	..001	14.72	1	..000

Results indicate that substantial differences exist in all consumer perceptions of Face influence on product categories and brands across the four quadrants.

In addition, for all three age groups, the data supports *H4* that Face influence toward brands was consistently higher than toward product categories in each of the four quadrants (see Table 16).

Table 16: Study 3- CF Index of Three Age Groups

Age \ category	n	Product Decisions			
		PUL	PUN	PRL	PRN
Young (18-28)	238	3.72	3.48	3.62	3.22
Middle-age (29-40)	414	3.55	3.44	3.60	3.26
Older (41-54)	277	3.45	3.46	3.63	3.18
		Brand Decisions			
		PUL	PUN	PRL	PRN
Young (18-28)	308	4.02	4.10	3.85	3.67
Middle-age (29-40)	524	4.05	4.10	3.93	3.80
Older (41-54)	380	3.95	4.07	3.77	3.72

Notes: Differences between product and brand decision are all supported by independent sample t-tests at the 95% confidence level

As I found in Study 2 measuring CFI on product decisions, the results of CFI on brand decisions also support the inference that young Chinese are not less influenced by Face than older Chinese. In this Study 3, the highest Face influence on brand is associated with public necessities (PUN) (e.g., cell phone, dress) consistently across all 3 age groups (see Table 16, Brand Decisions).

These results are also consistent with the hypothesis *H5_a* that CFI on product category decisions depends on the attribute of luxury (CFI for luxuries is higher than for necessities across the three age groups (see Table 17).

The data for the Middle-aged and Older groups **support** the proposition *H5_b* that the strength of CFI on product decision is not determined by whether it is consumed in public or private. In contrast, the hypothesis is *not* supported for the Young group in which the CFI affects both dimensions (see Table 17).

Regarding brand decisions, the results support hypothesis $H6_a$ that the strength of CFI on brand choice depends on the public vs. private consumption context, in contrast to CFI on product category decisions. CFI on public consumption is higher than CFI on private consumption for all 3 groups, and the differences are all supported at the 95% confidence level. The results also support hypothesis $H6_b$, that, for all 3 groups, CFI on brand decisions does *not* depend on the luxury versus necessity attribute (see Table 17).

Table 17: Study 3- Two Dimensions Comparison (luxury vs. necessity; public vs. private)

Product decision	Young	Middle-age	Older
Luxury	3.67*	3.57*	3.54*
Necessity	3.35*	3.35*	3.32*
Public	3.60*	3.49	3.45
Private	3.42*	3.43	3.40
Brand decision			
Luxury	3.93	3.99	3.86
Necessity	3.89	3.95	3.90
Public	4.06*	4.08*	4.01*
Private	3.76*	3.87*	3.75*

* $p < .05$.

8.5 Study 3B- Demographic Analysis

In order to investigate more detail and the implications, three age groups were also compared by demographic factors.

8.5.1 Recalling the hypotheses

H7: males would be more influenced by Consumption Face than females.

H8: married consumers would be more influenced by Consumption Face than singles.

H9: the members of larger families would be more influenced by Consumption Face than members of smaller families.

H10: Poorly educated people would be more influenced by Consumption Face than the better educated.

H11: residents of smaller cities would perceive a greater influence of Consumption Face compared to larger city dwellers.

H12: the youth who have lived in large cities longer would be less influenced by Consumption Face.

All data from the main survey are used in this study. All analyses in the following section were produced by a comparison of expected marginal means within a Generalised Linear Model framework, with least significant difference (LSD) adjustments for sequential tests.

8.5.2 Results

8.5.2.1 Difference by Gender

The data supports the *H7* that males perceived a higher influence of Face than females on both product category and brand decisions, especially the Young group which exhibited the greatest differences (see Table 18). However, the Young group differ on both product category and brand decisions, while other groups only differ on brand decisions.

Table 18: Study 3B- CF Index Differences by Gender

		Young		Middle-age		Older	
		n	Means	n	Means	n	Means
Total	male	206	3.89	487	3.78	400	3.71
	female	340	3.64	451	3.71	257	3.65
Product decision	male	88	3.63	219	3.48	174	3.44
	female	150	3.44	195	3.43	103	3.41
Brand decision	male	118	4.08	268	4.03	226	3.92
	female	190	3.80	256	3.91	154	3.81

Notes: Differences between the bold figure pairs are supported at the 95% confidence level

8.5.2.2 Difference by marriage status

The data of total participants supports *H8* that married people perceived higher CFI than singles on purchase decisions. specifically, the CFI of the Young group supports *H8* for both product and brand decisions that married people have higher CFI than singles do. The same differences between of the Middle aged group and Older group are not significant and may well be due solely to sample error (see Table 19).

Table 19: Study 3B- CF Index Differences by Marriage status

		all respondents		Young		Middle-age		Older	
		n	means	n	means	n	means	n	means
Total category	single	509	3.64	354	3.63	122	3.68	33	3.53
	married	1576	3.76	151	4.02	811	3.76	614	3.69
Product	single	222	3.40	154	3.37	55	3.51	13	3.22
	married	682	3.49	66	3.84	356	3.45	260	3.44
Brand	single	287	3.82	200	3.83	67	3.83	20	3.73
	married	894	3.96	85	4.16	455	4.00	354	3.88

Notes: Differences between the bold figure pairs are supported at the 95% confidence level

8.5.2.3 Difference by family type

The data does not generally support *H9* that members of bigger families perceive a higher influence of Face. Surprisingly, they do so in the Young group only. For the Middle-age group, nuclear family members perceive the highest influence of Face, even higher than extended family members (see Table 20). This reinforces the previous finding above that married people perceived higher Face influence. The significance was illustrated by GLM in SPSS. Note that in the Young-means column, There is no strong evidence at the 95% confidence level that the mean for the total of those living alone is different to the total mean for those who live with parents, but there is strong evidence at that confidence level it is different to both the total means for those living in a nuclear family and those living in an extended family situation.

Table 20: Study 3B- CF Index Differences by family type

		Young (18-28)		Middle-age (29-40)		Older (41-54)	
		n	means	n	means	n	means
Total	live alone	218	3.65*	71	3.41	62	3.93
	live with parents	179	3.66*	144	3.69	44	3.45
	nuclear family	105	3.88*	580	3.84	504	3.65
	extended family	44	4.08*	143	3.57	47	3.96
Product decision	live alone	93	3.44	39	3.24	27	3.65
	live with parents	79	3.34*	66	3.51	20	3.37
	nuclear family	47	3.76*	241	3.57	211	3.39
	extended family	19	3.92*	68	3.16	19	3.64
Brand decision	live alone	125	3.81*	32	3.63	35	4.15
	live with parents	100	3.92*	78	3.85	24	3.51
	nuclear family	58	3.98*	339	4.04	293	3.85
	extended family	25	4.20*	75	3.94	28	4.19

Notes: Differences between the bold figures are supported at the 95% confidence level

*consistent with *H9*

8.5.2.4 Difference by Educational background

The data does not support *H10* that lower educated people perceive higher Consumption Face Influence; rather, the reverse is evident: higher educated people perceived much higher Face influence. This was not evident for product categories but was evident for brand decisions. Youth were not the group with the highest mean score, but maintain similar perceptions of Face influence as preceding generations (see Table 21).

Table 21: Study 3B- CF Index Differences by Education

		Young (18-28)		Middle-age (29-40)		Older (41-54)			
		n	means	n	means	n	means	n	means
Total	lower	48	3.23	22	3.09	10	3.21	16	3.43
	high school	195	3.57	43	3.55	64	3.50	88	3.63
	Bachelor's	1728	3.74	434	3.78	783	3.77	511	3.67
	Master's and higher	170	3.88	47	3.77	81	3.78	42	4.19
Product decision	lower	23	3.06	11	3.10	4	2.93	8	3.06
	high school	101	3.40	23	3.52	40	3.27	38	3.47
	Bachelor's	745	3.49	185	3.54	341	3.50	219	3.43
	Master's and higher	60	3.45	19	3.45	29	3.41	12	3.57
Brand decision	lower	25	3.38	11	3.08	6	3.40	8	3.80
	high school	94	3.75	20	3.59	24	3.87	50	3.75
	Bachelor's	983	3.94	249	3.96	442	3.98	292	3.84
	Master's and higher	110	4.11	28	3.98	52	3.98	30	4.43

Notes: Differences among the bold figures are supported at the 95% confidence level

Holt (1998) suggests that American people with lower cultural capital prefer objects that imply luxury and material significance to enhance social status. However, in my survey the data shows that in China, higher educated youth, who are supposed have more cultural capital, are NO less influenced by Face, particularly, they are strongly influenced on the luxury dimension: participants who received bachelor’s degrees and higher education show a significantly higher CFI than those who received a lower education (see Table 22).

Table 22: Study 3B- Young group (18-28): Higher Education-Background Shows Higher CFI

Young	n	public		private		
		luxury	necessity	luxury	necessity	
Total	lower	22	3.29	3.13	3.05	2.88
	high school	43	3.76	3.59	3.52	3.35
	Bachelor’s	434	3.99	3.82	3.74	3.58
	Master’s and higher	47	3.98	3.81	3.73	3.56
Product decision	lower	11	3.10	2.93	2.85	2.69
	high school	23	3.58	3.41	3.33	3.17
	Bachelor’s	185	3.76	3.60	3.52	3.35
	Master’s and higher	19	3.74	3.58	3.50	3.33
Brand decision	lower	11	3.49	3.32	3.24	3.08
	high school	20	3.97	3.80	3.72	3.56
	Bachelor’s	249	4.15	3.99	3.91	3.74
	Master’s and higher	28	4.13	3.96	3.89	3.72

8.5.2.5 Difference by City Type

The data does not support *H11* that the residents of smaller cities perceive higher Face influence. Conversely, the results show the perceived influence of Face on consumers decreased with the smaller the city size, although the differences were likely due to sample error only. However, the data supports a difference in the Young group at the 95% confidence level for brand decisions. Furthermore, in the 1st tier cities (mega cities), the Young group perceived the highest influence of Consumption Face among all groups. In contrast, in the 4th tier cities where people were considered more traditional, the Older group showed greatest Face influence compared to younger groups (see Table 23).

Table 23: Study 3B- CF Index Differences by City type

		Young		Middle-age		Older			
		n	means	n	means	n	means		
Total	1 st tier city	612	3.79	128	3.96	308	3.77	176	3.71
	2 nd tier city	798	3.76	256	3.68	326	3.84	216	3.73
	3 rd tier city	274	3.71	70	3.83	129	3.68	75	3.67
	4 th tier city	457	3.58	92	3.48	175	3.59	190	3.63
Product decision	1 st tier city	261	3.51	54	3.63	134	3.50	73	3.44
	2 nd tier city	342	3.50	112	3.45	139	3.54	91	3.48
	3 rd tier city	125	3.49	27	3.92	65	3.29	33	3.53
	4 th tier city	201	3.33	45	3.26	76	3.40	80	3.32
Brand decision	1 st tier city	351	4.00	74	4.21	174	3.98	103	3.90
	2 nd tier city	456	3.96	144	3.87	187	4.05	125	3.92
	3 rd tier city	149	3.90	43	3.77	64	4.07	42	3.78
	4 th tier city	256	3.78	47	3.70	99	3.74	110	3.85

Notes: Differences among the bold figures are supported at the 95% confidence level

8.5.2.6 Difference in 1st tier city by length of residence

Results do not support *H12* that youth who have lived in large cities longer become less influenced by Face but support the alternative proposition that youth who live in large cities longer are more influenced by Face, especially for brand decisions. In addition, the Young group in mega cities are more influenced by Face on brand decisions than older generations (see Table 24). To make the results more salient, I combined the Middle-aged group and Older group into a “not young” group.

Table 24: Study 3B- CF Index Differences by the Time Length of Living in 1st tier City

		n		young		not young	
		n	means	n	means	n	means
Product decision	under 6 years	58	3.47	35	3.65	23	3.20 ⁺
	over 6 years	203	3.52	19	3.58	184	3.51 ⁺
Brand decision	under 6 years	67	3.98	39	4.11 ^{+*}	28	3.80 [*]
	over 6 years	284	4.01	35	4.31 ^{+*}	249	3.96 [*]

Notes: Differences between the generations (*) and tenure (⁺) are supported at the 95% confidence level

8.6 Study 4: the Effect of 3 CFI Dimensions on Different Categories

Study 4 aims to test the effect of each of the three dimensions of CFI (Societal Conformity, Social group Distinctiveness and Conspicuousness). The findings are expected to reveal which attribution of CFI impacts on each of the categories. For example, is Conspicuousness the most influential dimension of CFI on luxury category consumption? I expect to find more differences between the three dimensions so as to discover even more about motivations beneath the market phenomenon.

8.6.1 Method

All sample data are used in Study 4. The data were analysed by two categorising dimensions (luxury-necessity, public-private), as well as by three further dimensions of CFI. The research results are illustrated using the radar or spider-web chart for clarity. As examining the effects of each of the 3 dimensions of CFI is to visualise trends, I do not use hypotheses.

8.6.2 Findings

F1: For both product category and brand decisions, Conformity has the greatest effect of the CFI dimensions while Conspicuousness has the least effect.

F2: For both product category and brand decisions, the three dimensions have a similar effect on publicly consumed *luxuries* and privately consumed *luxuries* (PUL and PRL), however, for publicly consumed *necessities* and privately consumed *necessities* (PRN and PUN) the effects differ: Conformity has the greatest effect while Conspicuousness has the least (see Table 25 and Figure 20). Therefore, I am prompted to ask:

“Is it because they are both dealing with necessity?”

Thus, I then examine the strength of each dimension of CFI for the two dimensions of measurement (luxury-necessity; public-private) respectively.

Table 25: Study 4- The Effect of the 3 Dimensions on Archetype Quadrants

dimensions \ category	Product Decisions				means
	PUL	PUN	PRL	PRN	
Conformity	3.54 ^{ab}	3.71 ^{*a}	3.66 ^b	3.62 [*]	3.63 [*]
Croup-Distinctiveness	3.54 ^c	3.47 ^{*d}	3.59 ^d	3.19 ^{*cd}	3.45 [*]
Conspicuousness	3.60 ^e	3.19 ^{*ef}	3.60 ^f	2.87 ^{*ef}	3.31 [*]

dimensions \ category	Brand Decisions				means
	PUL	PUN	PRL	PRN	
Conformity	4.10 ^{gh*}	4.24 ^{fh}	3.96 ^{g*}	3.91 ^h	4.05 [#]
Group-Distinctiveness	4.09 ^{i#}	4.14 ^j	3.94 ^{ij#}	3.80 ^j	3.99 [*]
Conspicuousness	3.84 ^{k*#}	3.90 ^l	3.68 ^{kl*#}	3.50 ^{kl}	3.73 ^{#*}

* $p < .05$.

Notes: Differences between categories (^a through ^l) are supported at the 95% confidence level

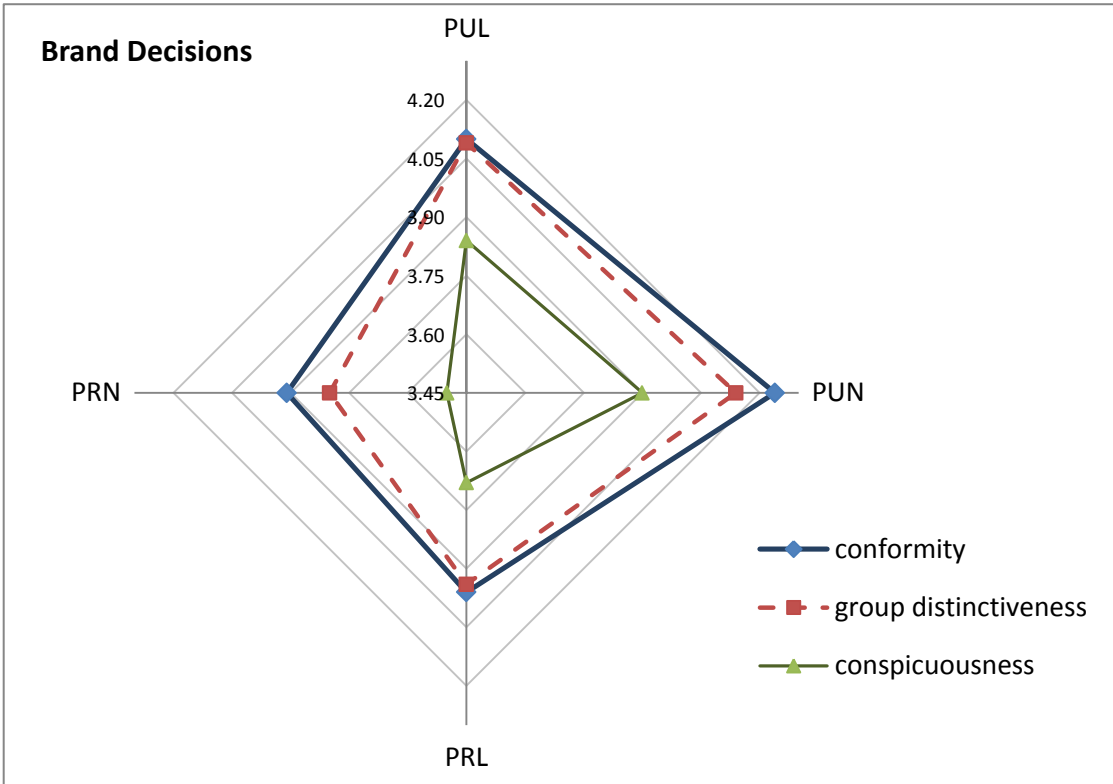
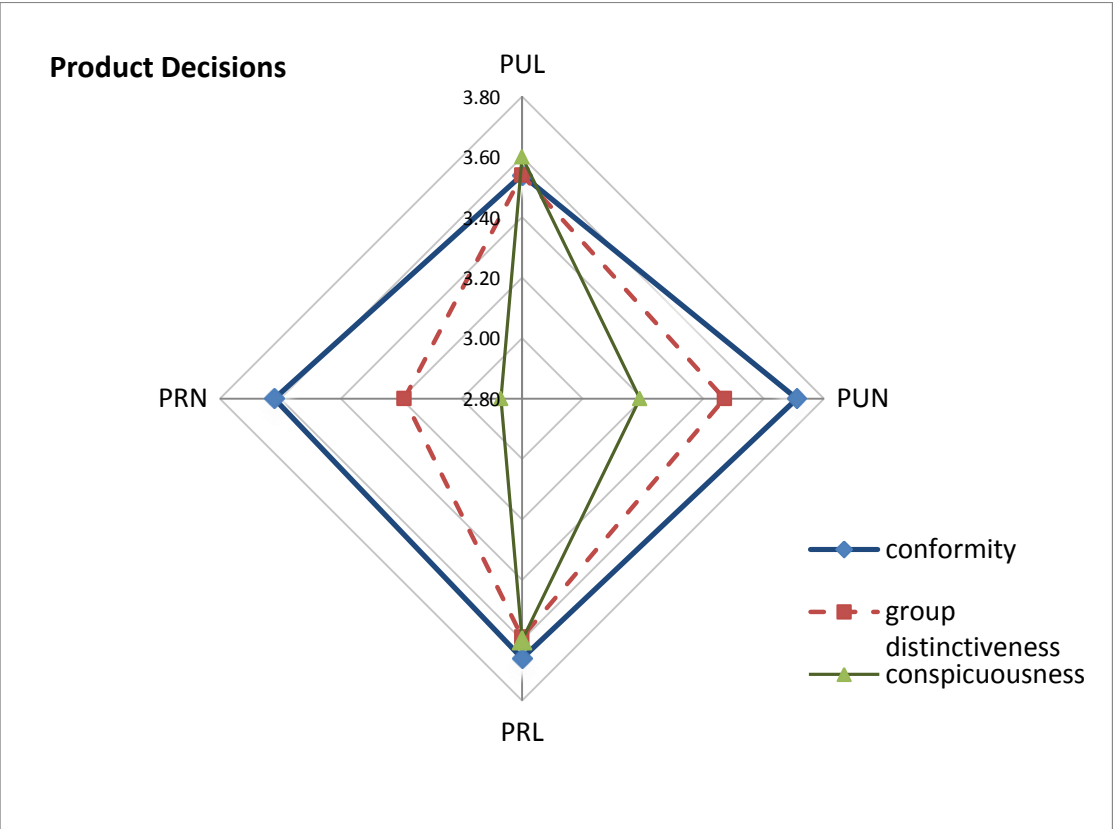


Figure 20: Study 4- the Effect of 3 Dimensions on Quadrants

The effect of the 3 dimensions over the two categorising dimensions: Luxury-Necessity and Public-Private (see Table 26 and Figure 21) confirms that:

F3: For necessity product decisions, the 3 CFI dimensions have the largest differences in influence: Conformity has the greatest effect and Conspicuousness has the least (see Figure 21).

F4: for luxury product decisions, all 3 dimensions have about the same effect (see Figure 21).

Table 26: Study 4- the Effect of 3 Dimensions on Measurement Factors

Measurement factors\ dimensions	Product Decisions n=929		
	conformity	group distinctiveness	conspicuousness
Lux	3.60	3.56*	3.60*
Nec	3.67 ^a	3.33* ^a	3.03* ^a
Pub	3.63 ^b	3.50 ^{#b}	3.39 ^{#b}
Pri	3.64 ^c	3.39 ^{#c}	3.24 ^{#c}
	Brand Decisions n=1212		
	conformity	group distinctiveness	conspicuousness
Lux	4.03 ^a	4.02 ^b	3.76 ^{ab}
Nec	4.07 ^c	3.97 ^c	3.71 ^c
Pub	4.17* ^d	4.12* ^e	3.87* ^{de}
Pri	3.94* ^f	3.87* ^g	3.59* ^{fg}

* $p < .05$.

Notes: Difference between the dimensions ([#]) and categories (^a through ^g) are supported at the 95% confidence level

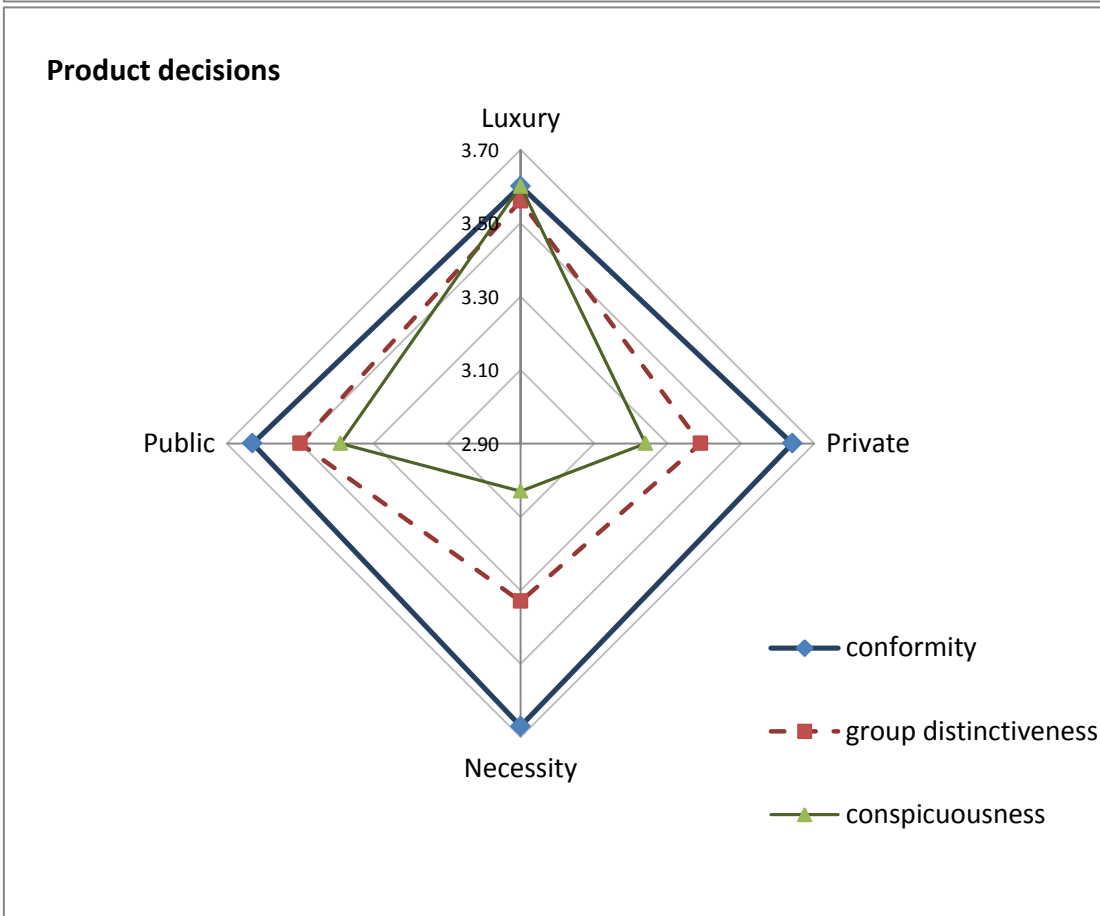
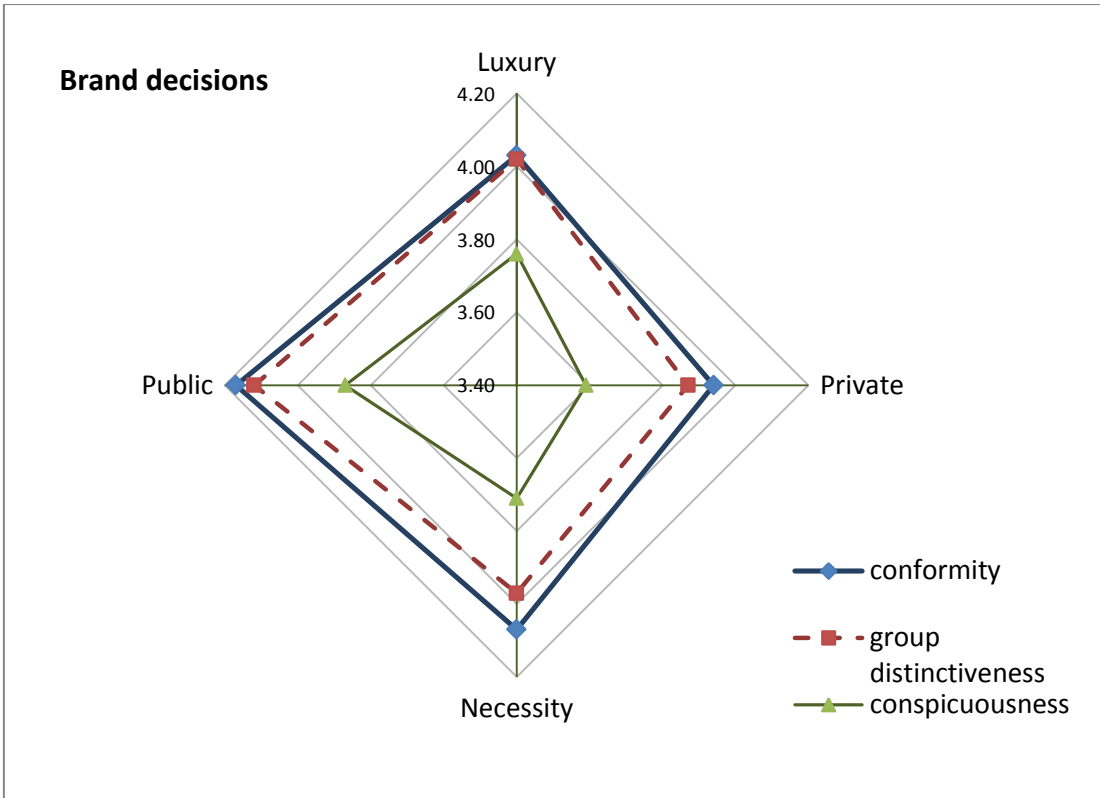


Figure 21: Study 4- the Effect of 3 Dimensions on Measurement Factors

F5: for brand decisions, Conspicuousness has the least effect (see Figure 21), while the other two dimensions are similar (Societal Conformity and Social Group-Distinctiveness).

This is interesting because Conspicuousness is supposedly one of the most significant drivers for luxury and publicly consumed brand purchase decisions (Corneo & Jeanne, 1997; Veblen, 1924). I find the opposite in China: Conspicuousness has the lowest effect among the 3 dimensions that determine Consumption Face Influence. Luxury brands are normally considered to represent status symbols and wealth, which are therefore categorised to be 'conspicuous'. However, in my findings, conformity (both Societal Conformity and Social Group-Distinctiveness) have more impact than conspicuousness does luxury brands.

These findings reveal that within Consumption Face, Conformity still plays a more important role than Conspicuousness, even for publicly consumed and luxury brands. It also suggests that Chinese may buy luxury brands not for exclusiveness (uniqueness), but rather to conform to others (like elites), or to achieve social approval. This perspective could be helpful to understand luxury consumption in China.

F6: Conformity has the greatest effect of these three dimensions. Also, the effect of Conformity is neither different between the public and private, nor between the luxury and necessity dimensions, across all ages and categories. In other words, if Chinese purchase a product aiming to conform to the mainstream, it matters neither that the product is luxury or necessity, nor publicly or privately consumed.

F7: CFI is highest on publicly consumed brands among all factors. This confirms that for considerations in brand choice decisions, Chinese are influenced more by Consumption Face when they purchase publicly consumed brands.

8.7 Study 5: Comparison CFI to Rice Theory

8.7.1 Recalling the hypothesis

This study is designed to use my Face data to test the results of another research. A paper by Henrich (2014) in *Science* uses the “rice theory” to state that paddy rice versus wheat cultivation produce collectivistic and individualistic tendencies respectively, due to the different cooperation levels required for cultivation and irrigation systems. Their survey results support their hypothesis that Chinese in south China cultivating more rice are more collectivistic than Chinese in north China cultivating more wheat.

Face as a cultural factor, in particular, occurs in collectivistic societies rather than in individualistic societies (Hofstede, 1984). In other words, the more collectivistic a society is, the more Face is a concern. Here, I use the sample in my Face survey from southern and northern China, to test their findings by comparing CFI measures. Also I use this test as another way of verifying my developed measures.

According to the paper by Henrich (2014), the hypothesis is:

H13: people in south China perceive higher CFI (Consumption Face Influence) than people in north China.

In their research, 1,162 participants were tested in six provinces in both north China (n=620) and south China (n=542) (Henrich, 2014). To increase the statistical power of my inference about China, I used a larger sample than Henrich (2014). Using their definition to distinguish north and south China, I divided my sample into north (n=1142) and south China (n=999).

8.7.2 Results and discussion

Table 27: Study 5- CF Index over Rice and Wheat Cultivation by Ages

Age \	Wheat n	Wheat (north)	Rice (south)	Rice n
Young (18-28)	307	3.77*	3.74	239
Middle-age (29-40)	407	3.78 [#]	3.75	531
Older (41-54)	285	3.65* ^{#a}	3.82 ^a	372

Notes: Difference between the generations ([#]) and categories (a) are supported at the 95% confidence level*

The results show strong support for the Older age cohort, people in the rice farming areas perceive higher CFI than people in wheat farming area (see Table 27). This supports *H13*. However, this is not supported for the other, relatively younger generations in rice and wheat farming areas, which are not significantly different (see Table 27). In other words, the older generation do perform as the rice theory paper’s research suggests that residents in rice-growing south China are more collectivistic and perceive higher Face influence than people in wheat-growing north China. However, when the age groups become younger, there is no difference between south and north China. In addition, in North China, the young age group perceive significantly higher Face influence than the old age group do, while the generational difference in south China is in the contrary direction. The big change in perception of Face in north China may be because the increasing city population no longer relies upon agriculture (the percentage of urban population of Chinese was 13% in 1953, 26% in 1990 and 50% in 2010, according to the National Bureau of Statistics of the PR China).

Table 28: Study 5- CF Index over Rice and Wheat Cultivation by Categories (all ages)

Age \ category	Wheat n	Wheat	Rice	Rice n
Products	411	3.51*	3.47 [#]	510
Brands	522	3.91* ^a	3.99 ^{#a}	676

Notes: Differences between product and brand decision ([#]) and difference between region (^a) are all supported at the 95% confidence level*

When I combine all age groups but compare CFI by category and brand, the result supports *H7*, that people in south China perceive higher CFI than people in north China, but on brand decisions only (see Table 28). When considering different age cohorts, the majority of the difference between south and north China is contributed by the older age group.

This study, rice theory and its research in China helps to verify my CFI measure, in that my CFI measure-based-research findings match essential tenets of the rice theory research results but add further insights: the older, traditional Chinese that were influenced more by agriculture, exhibit the expected pattern so that those in south China (rice cultivation) perceive higher CFI than those in north China (wheat cultivation). But this difference is not supported for young Chinese. My contribution through this study is that the younger age groups in north China show a significant change from the preceding generations (see Table

27 Wheat (north) column). Younger Chinese in north China perceive even stronger Face influence than older Chinese.

I summarised all hypotheses test results and findings in Table 29 for clarity.

Table 29: The Hypotheses Test Results

Study	The purpose	Hypotheses	Test results Support=√ Not support=x	Findings
Study 1	Verify the CF measurement	H1 If the developed CF measure is appropriate, the results will demonstrate that Consumption Face is associated with the consumption of publicly consumed products more than the consumption of privately consumed products.	√	
		H2 If the developed measure is appropriate, the results will demonstrate that Consumption Face is associated with the consumption of luxury products more than the consumption of necessity products.	√	
Study 2	Using CFI to research difference between young Chinese and elder generations	H3a Consumption Face influences young consumers less than it does preceding generations.	x	
		H3b Consumption Face influences young consumers more than it does preceding generations.	√ on publicly consumed luxury (PUN)	
Study 3	Test CFI difference between product and brand decisions	H4 The influence of Consumption Face on brand decisions is greater than that on product category decisions.	√	
		H5a The influence of Face on product decisions: depends on the attribute of luxury vs. necessity.	√	

Study	The purpose	Hypotheses		Test results Support=√ Not support=×	Findings
		H5b	The influence of Face on product decisions: does not depend on public vs. private consumption.	√ for Middle-aged & Older × for Young group	Young group are affected by CFI on both dimensions
		H6a	The influence of Consumption Face on brand decisions H6a: depends on public vs. private consumption.	√	
		H6b	The influence of Consumption Face on brand decisions H6b: does not depend on the attribute of luxury vs. necessity.	√	
Study 3B	Demographic test	H7	Males would be more influenced by Face than females.	√	
		H8	Married consumers would be more influenced by Consumption Face than singles.	√	
		H9	The members of larger families would be more influenced by CF than members of smaller families.	×	Young group supports only
		H10	Poorly educated people would be more influenced by Consumption Face than the better educated.	×	The reverse is evident: higher educated people perceived higher CFI for Brand decisions
		H11	Residents of smaller cities would perceive a greater influence of Consumption Face compared to larger city dwellers.	×	Young group support conversely: the bigger the city size is, the more CFI effect it is.

Study	The purpose	Hypotheses	Test results Support=√ Not support=×	Findings	
		H12	The young people who have lived in large cities longer would be less influenced by Consumption Face.	×	Young group in mega cities support conversely on brand decisions
Study 4	To test the effect of 3 dimensions of CFI on different categories	F1	For both product category and brand decisions, Conformity has the greatest effect of the CFI dimensions while Conspicuousness has the least effect.		
		F2	For both product category and brand decisions: the three dimensions have a similar effect on luxuries (PUL & PRL). However, for necessities (PRN and PUN), Conformity has the greatest effect while Conspicuousness has the least.		
		F3	For necessity product decisions, the 3 CFI dimensions have the largest differences: Conformity has the greatest effect and Conspicuousness has the least.		
		F4	For luxury product decisions, all three dimensions have about the same effect.		
		F5	For brand decisions, Conspicuousness has the least effect (see Figure 21), while the other two dimensions are similar (Societal Conformity and Social Group-Distinctiveness).		
		F6	Conformity has the greatest effect among these three dimensions. Also, the effect of Conformity is neither different between the public and private, nor between the luxury and necessity dimensions, across all ages and categories.		
		F7	CFI is highest on publicly consumed brands among all factors. This confirms that for considerations in brand choice decisions, Chinese are influenced more by Consumption Face when they purchase publicly consumed brands.		
Study 5	Use the CFI data to test the result of another research from <i>Science</i>	H13	People in south China perceive higher CFI (Consumption Face Influence) than people in north China.	√ Older group only	

PART v: CONCLUSION, DISCUSSION AND IMPLICATIONS

CONCLUSION

In recent decades the economy of China has developed rapidly and the country has become a consumer society with consumption becoming increasingly significant in Chinese life. This thesis aims to reveal previously largely hidden and overlooked traditional motivations that influence and manipulate Chinese consumer behaviour. The purpose is to provide a new approach to analyse this market phenomenon. This thesis not only defines Consumption Face, but also considers how it performs for different categories of people. Most importantly it proves Consumption Face exists for, and strongly influences the consumption behaviour of the current young Chinese generation.

To sketch a profile of Consumption Face to distinguish it from existing understanding of different types of Face, and to eliminate misunderstandings about Chinese Face, this thesis first classifies different types of Face from a broad literature review. This classification will help future researchers to demarcate their research domains and to produce more specific results. After the introductory Part I, Part II takes a step by step approach to explain the evolution of Face in the context of Chinese history and culture. In Chapter Two, Face-related literature is reviewed to classify different facets of Face in order to position Consumption Face amongst other kinds of Face. This is vividly depicted in a Face matrix in Chapter Three. After introducing the development of modern consumption and its influence in Chapter Four, and cross reviewing related Western literature in Chapter Five, the thesis aims to develop a theory based on a multi-dimensional concept of Consumption Face.

To discover the importance of Consumption Face in Chinese purchase decisions, and particularly the importance of it to young Chinese, Part IV presents answering tests' results obtained from application of the methodology defined in Part III.

To further conceptualise Consumption Face, Part III develops CF measurement, and verifies it. This is to develop a tool for future research. In Part IV, the five studies generate sufficient results to adequately test 13 hypotheses. Through these studies, the thesis demonstrates that Consumption Face exists and shows how it impacts on different Chinese consumption decisions.

Also this research reveals underlying factors driving Chinese consumption toward various categories. For example, the conspicuousness factor of Consumption Face is not the main driver of luxury consumption as is usually assumed. Instead, the strongest drive towards luxury consumption is conformity. In addition, the results strongly indicate that young consumers are not less influenced by Face than older consumers. This is a significant finding for future research on Chinese consumption. Through the five studies, the thesis answered all the research questions, and also provided unexpected and therefore surprising findings as well.

CHAPTER NINE: DISCUSSION AND IMPLICATIONS

The world is more like a global village now. People frequently travel across international boundaries and meet other peoples, nationalities and ethnic groups much more than previously. For example, more Chinese are sending their children to study overseas, particularly to Western countries. Not only do young Chinese travel to advance their education but also their parents visit them in the countries where their children are advancing their education.

Immigration, exportation of labour, and the international mobilisation of people bring many people to and from China. The internet and other advanced technologies make Chinese see more of the West and to think of themselves as part of the international community. Increasingly, more international businesses, investments and trading companies are moving into China or are interested in this rapidly growing economic body. Their hope is that they will meet the huge number of potential consumers and have access to the enormous consumption potential of China. The world seeks answers to the question of “What could, or would, be Chinese consumers’ behaviour in this globalised world?”

In many big cities of the world there are China Towns. Chinese in foreign lands, even after being there for generations, still retain their own ethnic traits and lifestyle. By comparison, the Jewish and Muslim people who immigrated to China mixed dwelling with Chinese neighbours rather than in separate districts, and although they initially had their own distinct religious beliefs and cultural practices were soon assimilated into the much greater body of Chinese society. A few decades after their arrival in China it was difficult to discern that they, and particularly their children who went to local schools, were not Chinese (Dillon, 2013; Song, Qian, & Jin, 1979). Han Chinese culture is tolerant of other cultures and has a strong assimilation power. By comparison Han Chinese culture is not readily assimilated by other ethnic groups or cultures (K.-C. Wong, 2001). Chinese tourists even take Chinese food as a core food when they travel to western countries though they are in favour of new eating experiences (R. C. Y. Chang, Kivela, & Mak, 2010). Chinese culture has its own immortal vitality by which Chinese are united, trained and moulded to be Chinese.

China, with its long history that developed a complex and stable culture, is encountering modern consumption patterns that are relatively new and largely based on Western values and lifestyles. However, even though China has quickly become a consumer society, few

believe that China is transforming into a Western society and losing its old cultural values. My research regarding Face and consumption provides evidence of the resistance of Chinese culture to change in the Face of political and economic pressures. On the surface, market phenomena and consumption (e.g. a big appetite for luxury goods and adoption of Westernised lifestyle by Chinese), may look similar to what is happening in other consumer obsessed societies, but the underlying, hidden drive may differ. In Chinese society this drive is likely to be “unspoken”. The desire of Face is inherent to Chinese and Consumption Face is ubiquitous. This cannot be fully explained and replaced by the other concepts, and particularly Western concepts, that I review in Chapter Five. Using Western models to explain Chinese social behaviour would be incomplete without consideration of Chinese cultural factors (Redding, 1993). Thus, understanding Consumption Face Influence is necessary to understand and explain Chinese consumption.

9.1 Face does not attenuate in China

My research shows that the influence of Consumption Face does not attenuate with societal and cultural changes in China. This exploratory study reveals that Face still matters implicitly for young Chinese, despite, and possibly because of, the societal shifts, and regardless of labels such as Westernisation, globalisation, modernisation, materialisation or individualisation. This means a lot for the young consumers on whom the future of China depends. They are 300 million people who were born after China opened itself to the world, developed a commercialised environment, and gave them comprehensive education opportunities. They have more disposable money for purchasing non-essential goods and are proficient internet users by which they are readily to expose to the Western world and lifestyle. Although they are considered to be more individualised and strongly driven by Consumption Face Influence when making purchase decisions, their traditional Chinese social values are not reformed. Hence, even if consumption has increased significantly in China, one cannot ignore the influence of Face, particularly when trading and doing business with China. Importantly, there is a need to understand the drivers behind Consumption Face to have proactive and effective strategies for engaging in business with Chinese.

Chinese Consumption Face is both an antecedent and a consequence of consumption. For example, my research reveals the importance of conformity in Chinese purchase decisions, even though this is not obvious at first glance. Particularly this is so as through Western

eyes it may be assumed that conspicuousness is the dominant factor. Conformity defines the relationship with others, the importance of identifying with other people, and the tendency to conform to the expectations of others, in regard to its underlying impact on individual consumption in China.

To further define Consumption Face, my thesis compares it with other relevant social influence-based concepts. Through a broad theoretical base, three dimensions of Consumption are defined: Societal Conformity, Social Group-Distinctiveness and Conspicuousness. From this perspective, we can see Consumption Face comprises subtle but important influences on the more general social behaviour governed by Face.

9.2 The importance of Societal Conformity remains

One component of Consumption Face, Societal Conformity, suggests the importance and persistence of compliance with societal changes and mainstream behaviour that impact on the motivation of individuals to consume. As discussed in section 4.2.2, after the establishment of the PRC authority was highly centralised, and people's lives were managed to establish a communist society; e.g. the structure of work units in rural areas and the *danwei* in urban situations to meet the purpose of unified management. Shared group collectivistic goals were higher than the goals of individuals. The inherent group-orientated nature of communism combined with centralised management in all aspects of Chinese life, supported and reinforced conformity to society. This was further strengthened through the Cultural Revolution during which being a deviant was too dangerous an option to follow (for more details recall section 4.3.2). Even though during the Economic Reform authority was gradually localised and society became more democratised, conformity behaviour was still maintained. Especially, the nature of conformity also matches the traditional belief that it is intelligent to stay the same as most other people. There is a well-known saying in Chinese: “if a tree is taller than others in a wood, its top will be blown off by wind” (木秀于林，风必摧之。 It is similar to the English sayings “the nail that sticks out is hammered down”, or “tall poppies being cut down”.)

Shortly after the Economic Reform in the 1980s, when Chinese suddenly experienced the abundant availability of products and had sufficient discretionary purchasing power, the expressions “consumer rush”, “consumer fever” and “consumer madness” were coined (Croll, 2006). This was not only because people were suddenly able to consume in quantity,

but also because of their strong desire to be the same as others. This was especially because of the need for psychological security in the big societal changes occurring at the time (Bond, 1991; Doctoroff, 2012). This response phenomenon was beyond personal taste and identity, and even beyond basic functional needs. Conformity within the mainstream of Chinese society at the time was prevalent. In the late 1990s, to match the zeitgeist in China, advertising appeals which reflected and catered to consumers' orientations were still to an extent likely to echo political ideology not much less than they did in the 1980s (X. Zhao & Belk, 2008).

9.3 Strong Social Group Relationships do not change but their formation differs

Frequent interactions, e.g. communications and cooperation between Chinese within social groups (i.e. gathering information, seeking opinions, offering help in order to seek social approval and to avoid criticism and social disapproval) is the way Chinese live. The results of this thesis offer further proof that those tight relationships within social groups remain strong in China. The research shows that the Social Group-Distinctiveness factor of CFI still strongly influences individual purchase decisions. The opinions of Social Group members and their responses influence the consumption decisions of those in the Group.

Identification within a social group defines who you are, and reminds you who you should be perceived as. This is the way one maintains Face: by perceived similarity and by demonstrating associations with appropriate social groups. As discussed in section 4.5.1, after the Economic reforms, increased employment opportunities and housing reforms promoted population mobilisation. In the new social contexts of big cities involving an influx of strangers, people formed new social groups based on their connections such as their work mates, their rural or home town connections, their alumni connections and so on. In the new social context, people needed to identify themselves with other people they wished to be associated with and to signal to others in the group who they were and how successful they were. A person's consumption behaviour and what they bought became a convenient and quick tool to gain acceptance by a group and recognition within a group.

When I worked in Beijing, China as a marketing manager, a colleague came to me to ask if he could borrow money to purchase a car. He did not need a car to commute, and the density of cars in Beijing meant that this was not a practical thing to do. When I asked him

why he wanted a car he answered that it was because he had just been promoted to the role of an associate manager. He considered that he needed a car because all the managers in his company drove to work! Therefore he needed a car to indicate his social status to enable him to be associated with his new social group. This basic demand of being in a social group, and being associated with others, is in the blood of Chinese. In a consumer society, visible consumption serves to meet this basic demand in order to maintain and enhance Face.

9.4 Conspicuousness does not dominate luxury consumption

Conspicuousness is assumed to be the factor and the core drive to satisfy the purpose of conspicuous consumption. The key trait of conspicuousness is to be exclusive and to be outstanding. However, my research results suggest that it does not influence Chinese as directly as it does Westerners.

My research unveils the main desire for conspicuous consumption for Chinese youth is not Conspicuousness, but is instead Conformity (recall the details in study 4, section 8.6). It does not mean Conspicuousness is not enhancing one's Face; rather, enhancing Face through consumption of luxury goods and services is by fulfilment of a sense of conformity with peers or elites. Conspicuous consumption, like luxury consumption, does not, by itself, represent social status and wealth, which is used by people to signal to others that they are successful. However, this may only happen when conspicuous consumption by an individual is considered "conspicuous" by the mainstream. If a luxury brand is not endorsed and said to be a symbol of status or wealth by the elites and by peers, then its purchase has no group or person to conform to. Thus it will be meaningless as an indication of status in a Chinese context.

This conclusion that the factor that drives Chinese luxury consumption is not conspicuousness, but instead is conformity, provides practical directions for marketing practitioners and especially for selling luxury brands. In brand communications to Chinese, the focus may not be on how exclusive a brand is. Instead it is more effective how it is associated with the elite that offer a reference group to which a consumer strives to conform (Hung et al., 2011; G. Li et al., 2012). Association with the elite is a tactic already commonly used in marketing and promoting luxury brands, i.e. involving an All Black, a film star, or other celebrity in advertising a product. However, I suggest that this is an approach that means more to Chinese than it does for other ethnicities or national groups.

This association should be given higher priority relative to communicating the quality and attractiveness of a product brand in aiming to raise interest in the brand and meeting the requirements and desires of targeted consumers.

9.5 Comprehensively understanding Consumption Face through three dimensions

These three dimensions (Societal Conformity, Social Group-distinctiveness and Consumption) work together to achieve Consumption Face for Chinese. Understanding this will be helpful in managing Face-related consumption. For example, Louis Vuitton was once the No.1 symbolic luxury brand in China, and it was the company's main "cash cow" (Rambourg, 2014). But recently, Louis Vuitton has had a drop in sales. Young and sophisticated consumers are abandoning the Louis Vuitton label for more exclusive brands because "Louis Vuitton has become too ordinary" (Willett, 2015). Now, fashionable people, normally the elite and opinion leaders, purchase more exclusive brands, like Chanel or Bottega Veneta (Adams, 2015; Rambourg, 2014).

The popularity of Louis Vuitton was justified because young Chinese needed it to conform to the elite and their peers (Societal Conformity consideration or Social group-distinctiveness of CFI), and thus had their Face enhanced. However, when Louis Vuitton became too popular and thus lost the third component of Consumption Face, "Conspicuousness", the consumers' Face was not enhanced anymore. The desire for Conformity (Societal Conformity and Social Group-Distinctiveness) cannot support Consumption Face alone, and consequently this caused Louis Vuitton to lose market share in China. This might be why Louis Vuitton now aims to 'de-logo' their products and make them more subtle. This may be considered as tuning its brand to be 'exclusive' in order to bring "conspicuousness" back, through de-popularisation. This is supported by research that shows that Susceptibility to Normative Influence positively relates to attitudes and purchase intentions toward luxury brands because of the social function of conformity, while Need for Uniqueness has a negative relationship towards those same attitudes and relationships (Zhan & He, 2011).

For exclusive brands, like Chanel or Bottega Veneta mentioned above that became new favourites for fashionable people, it can be predicted that if they become too popular (by conformity power) and lose their conspicuousness, they will replay the same demand

trajectory of Louis Vuitton. Perhaps it would be better for them to remain low-key with less effort on marketing, and instead become a segmented-market brand. In this way they could safely reach a balance of profitability, between conformity and conspicuousness.

9.6 Young Chinese: Individualisation does not isolate the need for social approval and belongingness

The study 3-B from demographic perspectives reveals that young Chinese show a greater effect of Consumption Face than older generations. Young married males show the highest CFI effect among all the age groups. The youth in bigger cities, and the longer they dwell in mega cities, show more CFI effect than all other age groups, and respectively have the highest CFI indices among all the groups compared. Further, more highly educated youths are not less influenced by Face than are older generations. As well, young people with the highest education (with bachelor's degrees and higher qualifications) have significantly higher CFI toward luxuries than those with lower education or fewer qualifications.

These results are not entirely as expected from the hypotheses tested but they explain more about Consumption Face. Young Chinese consumers who are more individualised and Westernised than preceding generations, were expected to be more likely to reject traditional values (Batra et al., 2000; Qiu & Lin, 2013; Wei & Pan, 1999; Jing Zhang, 2010). However, they definitely show stronger Consumption Face behaviour than older Chinese who are assumed to follow traditional lifestyles to a greater degree. Hence, I suggest that Consumption Face is more important to today's young generation because of its indication of success and for satisfying the desire for social approval and belonging.

Competition today is greater than during the centrally managed period of China. There is competition for educational opportunities, and also for marriage opportunities (it will be hard to find a boy/girlfriend if one lacks sufficient income), the resources required for marriage and maintaining a family, and to seek job opportunities and promotions.

This only-child generation starts to compete on the first day they go to school (Festini & de Martino, 2004; Fong, 2004; W. Wang, Du, Liu, Liu, & Wang, 2002). They are more aggressive in striving for higher social status (W. Wang et al., 2002). Young Chinese need evidence to prove they are successful. The higher educated young people in mega cities are assumed and expected to achieve better or bigger successes. Especially, academic achievement is considered by parents and family as the main route to wealth, prestige and

power (Fong, 2004). My research indicates that these young people care more for Consumption Face. This is expressed by young people being more likely nowadays to use consumption to signal their success and “show off” more than people of preceding generations. This also reflects that today’s young people are eager to be socially approved as much as preceding generations, otherwise, they would not consciously pay attention to how they are perceived by others.

9.7 Thinking of the Future

As I discussed in section 9.3, interaction within social groups and with others is central to the Chinese way of life. The demand for a feeling of belonging and connection is a necessary part of living in China’s traditional collectivistic society. Chinese are born into social relationships. *guanxi* remains strong, and even Chinese who do not like the mechanisms of *guanxi* admit that they benefit from it (King, 1991). As long as Chinese living depends upon close association with others, Face will remain in existence. However, the way they maintain and enhance Face may change and the Consumption Face will continue to play a vital role.

As stated in section 4.5.5, Chinese now, and especially young Chinese, are individualised. This is not only because the nation has become wealthier and its society more modernised and diversified (Bulmahn, 2000). As well, family structure has changed to be one-child centred, the well-being goal has become self-fortune oriented, and exposure to Western individual values and lifestyles is considerable. All these influences work together on Chinese society.

However, individualisation does not isolate the need for social approval. Perhaps the more individualised people become the more social approval they may need. The greater the competition among young Chinese, the more expectations and hope they carry for their parents who suffered lack of opportunity because the Cultural Revolution disrupted their education and the previous centrally-planned economy limited their career freedom. Younger Chinese are thus more eager to be approved as successful.

Without siblings, the only-child generation are also lonelier than their parents’ generation. This may explain why many of them are obsessed with the online world (Cao & Su, 2007). In June 2016, the movie “Warcraft” earned US\$156 million in its first five days in China (the biggest debut of a foreign film in history) compared to just over \$24 million in USA

(Lang, 2016; Martin, 2016). This tremendous box office success was mainly contributed to by half of the 5.5 million players of Warcraft in China (Pressberg, 2016). They started to play the game ten years ago, when the first of the only-child generation grew up. One of the addictions of this game is the attraction of belonging to each team, each tribe and the realm in the game that they fight for. It seems that young Chinese people need a place where they have a feeling of belonging, and that gives them a feeling that they exist.

The new China will be more globalised and its values will be more hybridised as is the situation for many other societies. However, as long as the “others” play an important role for Chinese, as long as the demand for social approval is a necessity to define self-actualisation, success, and meaning for their lives, and as long as the demand for association with social groups for achieving the sense of belonging is required, Face will continue to exist persistently. In a consumer society, the significance of consumption to Face will be increasingly important. Adjustment to globalisation is not a process whereby China is transforming from one society to another. Rather, China is absorbing and digesting imports of foreign societal characteristics into its own society. The modern consumption pattern and other extrinsic goals will be novel factors that will be digested and adapted into the Chinese social system in which traditional values, including concern for Face, will persist.

9.8 More academic research is needed

For academic purposes, the role of Consumption Face in China deserves more attention. More research into this area is likely to be of benefit, as consumption is still growing, and Consumption Face still remains operative. It is hoped that my research can be a foundation for further research. This study validates and verifies the CF index, comprising nine items to measure Consumption Face, with the intention of facilitating future research on this topic. A new conception of an old notion merits deeper, wider, and more systematic research.

In addition, it would be interesting to compare the influence of Consumption Face on mega-urban residents and people who remain traditional farmers. Even though urbanisation has developed rapidly in recent years, there is still a 618 million rural population constituting 45% of the population of China (according to National Bureau of Statistics of China, 2016). Research that investigated and compared CFI of the urban and rural populations would be useful in separately targeting both markets in regard to their consumption preferences. Also, research studying and comparing the new urban immigrant workers with established modern

fashionable city residents, would also be of academic interest and for practical marketing purposes.

9.9 Limitations

As a foundational work, this study has some limitations which I hope to address in future studies. First, I did not compare Consumption Face to other consumption motivations. Such comparisons may give an even deeper understanding of purchase decisions, the relative importance of Consumption Face, and relationships with other motivators. The lack of these comparisons also constitutes another limitation in terms of validity of the measure. Even though I performed content validity tests for the Consumption Face Index, the external validity test that I discussed in section 8.2.2.4 is also a useful and powerful method that I could have considered more at the time of designing the main survey. Secondly, my research reveals attitudes and motivations of young Chinese that influence their purchase decisions for some product categories such as public and luxury categories. Further it has perceived higher Face influence for younger than for older Chinese. This does not mean older Chinese have fewer concerns about Face. Rather, this may well just be that older people do not rely on consumption to have and enhance Face as much as young Chinese do. I did not compare measures of Consumption Face with measures of the general Face concept, but I encourage future research to focus on that comparison to define difference in the size and influence of the various components of Face.

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PART VI: APPENDICES

APPENDIX 1: THE RESOURCE OF LITERATURE REVIEW ON FACE STUDY

			Citations	Authors	Title	Year	Publication resources
1	Focus on Face (80)	The essential (30)	3958	P Brown, SC Levinson	Universals in language usage: Politeness phenomena	1978	in book: Questions and politeness: Strategies in social interaction
2			1436	K Hwang	Face and favor: The Chinese power game	1987	American Journal of Sociology
3			1097	MH Bond	Beyond the Chinese face: Insights from psychology	1993	Hong Kong: Oxford University Press.
4			951	S Ting-Toomey	A face negotiation theory	1988	Theory and Intercultural Communication
5			893	DY Ho	On the concept of face	1976	American Journal of Sociology
6			876	HC Hu	The Chinese concepts of "face"	1944	American anthropologist
7			691	E Goffman	On face-work	1967	carolrambo.com
8			489	NY Wong, AC Ahuvia	Personal taste and family face: Luxury consumption in Confucian and Western societies	1998	Psychology and Marketing
9			459	S Ting-Toomey, A Kurogi	Facework competence in intercultural conflict: An updated face-negotiation theory	1998	International Journal of Intercultural Relations
10			378	S Ting-Toomey, G Gao, P Trubisky, Z Yang, HS Kim, LS Lin & T Nishida	Culture, face maintenance, and styles of handling interpersonal conflict: A study in five cultures	1991	International Journal of conflict Management
11			269	JG Oetzel, S Ting-Toomey	Face concerns in interpersonal conflict a cross-cultural empirical test of the face negotiation theory	2003	Communication research
12			268	J Mann	About face: A history of America's curious relationship with China, from Nixon to Clinton	1999	Alfred Knopf
13			252	SG Redding, M Ng	The role of "face" in the organizational perceptions of Chinese managers	1983	International Studies of Management & Organization
14			224	S Ting-Toomey, WB Gudykunst	The matrix of face: An updated face-negotiation theory	2005	Theorizing about Intercultural communication
15			219	KK Hwang	<i>Guanxi</i> and mientze: Conflict resolution in Chinese society	1998	Intercultural Communication Studies
16			212	J Oetzel, S Ting-Toomey, T Masumoto, Y Yokochi, X Pan, J Takai & R Wilcox	Face and facework in conflict: A cross-cultural comparison of China, Germany, Japan, and the United States	2001	Communication Monographs
17			212	OG Nwoye	Linguistic politeness and socio-cultural variations of the notion of face	1992	Journal of Pragmatics
18			203	F Bargiela-Chiappini	Face and politeness: new (insights) for old (concepts)	2003	Journal of Pragmatics
19			198	RB Arundale	Face as relational and interactional: A communication framework for research on face, facework, and politeness	2006	Journal of Politeness Research. Language, Behaviour, Culture
20			196	PC Earley	Face, harmony, and social structure: An analysis of organizational behavior across cultures.	1997	Oxford University Press on Demand.
21			192	GH Lerner	Finding "face" in the preference structures of talk-in-interaction	1996	Social Psychology Quarterly
22			174	J Brockner, JZ Rubin, E Lang	Face-saving and entrapment	1981	Journal of Experimental Social Psychology
23			152	S Ting-Toomey	The challenge of facework: Cross-cultural and interpersonal issues	1994	SUNY Press.

			Citations	Authors	Title	Year	Publication resources
24			150	HC Chang, GR Holt	A Chinese perspective on face as inter-relational concern	1994	The challenge of facework: Cross-cultural and interpersonal issues
25			138	M Yu	On the universality of face: Evidence from Chinese complement response behavior	2003	Journal of Pragmatics
26			137	BAK Cocroft, S Ting-Toomey	Facework in Japan and the United States	1994	International Journal of Intercultural Relations
27			134	Y Bao, KZ Zhou, C Su	Face consciousness and risk aversion: Do they affect consumer decision-making?	2003	Psychology & Marketing
28			126	BR Brown	Face-saving and face-restoration in negotiation	1977	Social-Psychology Perspectives. Beverly Hills: Sage Publications
29			110	MH Bond, P Lee	Face saving in Chinese culture: A discussion and experimental study of Hong Kong students	1978	Social Research Center, Chinese University of Hong Kong
30			106	BR Brown	Face-saving following experimentally induced embarrassment	1970	Journal of Experimental Social Psychology
31			95	FP Brew, RC David	Styles of managing interpersonal workplace conflict in relation to status and face concern: A study with Anglos and Chinese	2004	International Journal of Conflict Management
32			94	JJ Li, C Su	How face influences consumption: a comparative study of American and Chinese consumers	2007	International Journal of Market Research
33			91	L Cheng, A Rosett	Contract with a Chinese Face: Socially Embedded Factors in the Transformation from Hierarchy to Market, 1978-1989	1991	J. Chinese L.
34			90	LH Yang, A Kleinman	'Face'and the embodiment of stigma in China: The cases of schizophrenia and AIDS	2008	Social science & medicine
35			88	S Ting-Toomey	Face and facework: An introduction	1994	The challenge of facework
36			85	TKP Leung, RY Chan	Face, favour and positioning—a Chinese power game	2003	European Journal of Marketing
37			81	M Haugh, C Hinze	A metalinguistic approach to deconstructing the concepts of 'face'and 'politeness' in Chinese, English and Japanese	2003	Journal of Pragmatics
38			78	SM Lee-Wong	Politeness and face in Chinese culture	2000	Frankfurt a. M.: P. Lang.
39			77	G Gao	An initial analysis of the effects of face and concern for other in Chinese interpersonal communication	1998	International Journal of Intercultural Relations
40			72	Kwai-Cheung Lo	Chinese face/off: The transnational popular culture of Hong Kong	2005	Hong Kong University Press
41			69	Z Bauman	Effacing the face: On the social management of moral proximity	1990	Theory, culture & society
42			59	JA Brunner, W You	Chinese negotiating and the concept of face	1988	Journal of International Consumer Marketing
43			57	A Hwang, S Ang, AM Francesco	The silent Chinese: The influence of face and Kiasuism on student feedback-seeking behaviors	2002	Journal of Management Education
44			56	W Jia	The remaking of the Chinese character and identity in the 21st century: The Chinese face practices	2001	Greenwood Publishing Group
45			52	KK Hwang	Moral face and social face: Contingent self-esteem in Confucian society	2006	International Journal of Psychology
46			51	S Ji	Face and polite verbal behaviors in Chinese culture	2000	Journal of Pragmatics
47			50	Y King, JT Myers	Shame as an incomplete conception of Chinese culture: A study of face	1977	Chinese University of Hong Kong, Social Research Center
48			48	E Jaquet, G Rhodes, WG Hayward	Opposite aftereffects for Chinese and Caucasian faces are selective for social category information and not just physical face differences	2007	The Quarterly Journal of Experimental Psychology

			Citations	Authors	Title	Year	Publication resources
49			44	PW Cardon, JC Scott	Chinese business face: Communication behaviors and teaching approaches	2003	Business communication quarterly
50			42	CY Chiu, SC Tsang, CF Yang	The role of face situation and attitudinal antecedents in Chinese consumer complaint behavior	1988	The Journal of Social Psychology
51			42	A Abdullah, P Pedersen	Understanding multicultural Malaysia: delights, puzzles & irritations	2003	Pearson/Prentice Hall.
52			41	H Spencer-Oatey, J Xing	A problematic Chinese business visit to Britain: Issues of face	2000	Culturally speaking-Managing rapport through talk across cultures
53			41	D Tjosvold, C Hui, H Sun	Can Chinese discuss conflicts openly? Field and experimental studies of face dynamics in China	2004	Group Decision and Negotiation
54			62	HU Shih	My Country, My People	1936	London Heinemann
55			39	D Tjosvold, H Sun	Social face in conflict: Effects of affronts to person and position in China.	2000	Group Dynamics: Theory, Research, and Practice
56			38	PH Gries	A" China Threat"? Power and Passion in Chinese" Face Nationalism"	1999	World Affairs
57			37	S Ting-Toomey	Translating conflict face-negotiation theory into practice	2004	Handbook of Intercultural training
58			36	J Oetzel, A.J. Garcia, S. Ting-Toomey	An analysis of the relationships among face concerns and facework behaviors in perceived conflict situations: A four-culture investigation	2008	International Journal of Conflict Management
59			36	D Oppenheim	Preschoolers face moral dilemmas: A longitudinal study of acknowledging and resolving internal conflict.	1997	The International Journal of Psycho-analysis
60			36	D Tjosvold	Social face in conflict: A critique.	1983	International Journal of Group Tensions
61			35	KL Chan	The Chinese concept of face and violence against women	2006	International Social Work
62			34	LA Reisch	The Internet and sustainable consumption: perspectives on a Janus face	2001	Journal of Consumer Policy
63			32	A Yabuuchi	Face in Chinese, Japanese, and US American cultures	2004	Journal of Asian Pacific Communication
64			32	JS Du	Performance of face-threatening acts in Chinese: Complaining, giving bad news, and disagreeing	1995	Pragmatics of Chinese as a native and target language
65			31	K Hwang, K Han, 韓貴香	Face and morality in Confucian society	2012	In Foundations of Chinese Psychology, pp. 265-295. Springer New York
66			31	V Chen	Mien tze at the Chinese dinner table: A study of the interactional accomplishment of face	1990	Research on Language & Social Interaction
67			31	L Li	Performing Bribery in China: <i>guanxi</i> -practice, corruption with a human face	2011	Journal of Contemporary China
68			31	CCS Kam, MH Bond	Role of emotions and behavioural responses in mediating the impact of face loss on relationship deterioration: Are Chinese more face-sensitive than Americans?	2008	Asian Journal of Social Psychology
69			31	F Measham, J Østergaard	The public face of binge drinking: British and Danish young women, recent trends in alcohol consumption and the European binge drinking debate	2009	Probation Journal
70			30	K Hutchings, G Murray	Family, face and favours: Do Australians adjust to accepted business conventions in China?	2003	Singapore Management Review
71			28	J Silbergeld	Hitchcock with a Chinese Face: Cinematic Doubles, Oedipal Triangles, and China's Moral Voice	2004	Seattle: University of Washington Press
72			27	VKY Hui, MH Bond	Target's face loss, motivations, and forgiveness following relational transgression: Comparing Chinese and US cultures	2009	Journal of Social and Personal Relationships

			Citations	Authors	Title	Year	Publication resources
73			25	JC Wong	Challenges Multinational Corporations Face in Protecting Their Well-Known Trademarks in China, The	2005	Brook. J. Int'l L.
74			24	DY Ho	Face and stereotyped notions about Chinese face behavior.	1980	Philippine Journal of Psychology
75			24	A Wong, D Tjosvold, F Su	Social face for innovation in strategic alliances in China: The mediating roles of resource exchange and reflexivity	2007	Journal of Organizational Behavior
76			22	Q Huang, RM Davison, J Gu	The impact of trust, <i>guanxi</i> orientation and face on the intention of Chinese employees and managers to engage in peer-to-peer tacit and explicit knowledge sharing	2011	Information Systems Journal
77			20	T Matsudaira	Cultural influences on the use of social support by Chinese immigrants in Japan: "Face" as a keyword	2003	Qualitative health research
78			20	A Kleinman, J Kleinman	Face, favor and families: The social course of mental health problems in Chinese and American societies	1993	Chinese Journal of Mental Health
79			20	DYF Ho	Face, social expectations, and conflict avoidance	1974	Proceedings of the Inaugural Meeting of the International Association for Cross-Cultural Psychology Held in Hong Kong
80			1100	MW Morris, K Peng	Culture and cause: American and Chinese attributions for social and physical events.	1994	Journal of Personality and Social Psychology
81			1021	SH Park, Y Luo	<i>Guanxi</i> and organizational dynamics: Organizational networking in Chinese firms	2001	Strategic Management Journal
82			768	Y Gu	Politeness phenomena in modern Chinese	1990	Journal of Pragmatics
83			745	J Biggs	Western misperceptions of the Confucian-heritage learning culture	1996	The Chinese learner: Cultural, psychological and contextual influences
84			735	HC Triandis	Individualism-collectivism and personality	2001	Journal of Personality
85			641	IYM Yeung, RL Tung	Achieving business success in Confucian societies: The importance of <i>guanxi</i> (connections)	1996	Organizational Dynamics
86			633	EWK Tsang	Can <i>guanxi</i> be a source of sustained competitive advantage for doing business in China?	1998	The Academy of Management Executive
87			557	JL Farh, AS Tsui, K Xin, BS Cheng	The influence of relational demography and <i>guanxi</i> : The Chinese case	1998	Organization Science
88			533	CC Chen, XP Chen, JR Meindl	How can cooperation be fostered? The cultural effects of individualism-collectivism	1998	Academy of Management Review
89			481	H Davies, TKP Leung, STK Luk, Y Wong	The benefits of " <i>guanxi</i> ": the value of relationships in developing the Chinese market	1995	Industrial marketing Management
90			464	AS Tsui, JLL Farh	Where <i>guanxi</i> Matters Relational Demography and <i>guanxi</i> in the Chinese Context	1997	Work and Occupations
91			425	OHM Yau	Chinese cultural values: their dimensions and marketing implications	1988	European Journal of Marketing
92			422	MB Brewer, YR Chen	Where (who) are collectives in collectivism? Toward conceptual clarification of individualism and collectivism.	2007	Psychological Review
93			367	T Gold, D Guthrie, D Wank	Social connections in China: Institutions, culture, and the changing nature of <i>guanxi</i>	2002	Cambridge University Press
94			363	Y Bian, S Ang	<i>Guanxi</i> networks and job mobility in China and Singapore	1997	Social Forces
95			335	HC Triandis	Individualism and collectivism: Past, present, and future	2001	The handbook of culture and psychology

			Citations	Authors	Title	Year	Publication resources
96			330	Y Luo	<i>Guanxi</i> and performance of foreign-invested enterprises in China: An empirical inquiry	1997	MIR: Management International Review
97			328	FM Cheung, K Leung, JX Zhang, HF Sun, YQ Gan, WZ Song, D Xie	Indigenous Chinese Personality Constructs Is the Five-Factor Model Complete?	2001	Journal of Cross-Cultural Psychology
98			311	WK Gabrenya Jr, KK Hwang	Chinese social interaction: Harmony and hierarchy on the good earth.	1996	The handbook of Chinese psychology
99			302	JB Jacobs	A preliminary model of particularistic ties in Chinese political alliances: Kan-ch'ing and Kuan-hsi in a rural Taiwanese township	1979	The China Quarterly
100			294	P Trubisky, S Ting-Toomey, SL Lin	The influence of individualism-collectivism and self-monitoring on conflict styles	1991	International Journal of Intercultural relations
101			275	B Batjargal, M Liu	Entrepreneurs' access to private equity in China: The role of social capital	2004	Organization Science
102				Guo, K.	Ideals and realities in Chinese immigrant parenting: Tiger mother versus others	2013	Journal of Family Studies
103			261	G Gao, S Ting-Toomey, WB Gudykunst	Chinese communication processes.	1996	The handbook of Chinese psychology
104			241	DY Lee, PL Dawes	<i>Guanxi</i> , trust, and long-term orientation in Chinese business markets	2005	Journal of International Marketing
105			218	D Kim, Y Pan, HS Park	High-versus low-context culture: A comparison of Chinese, Korean, and American cultures	1998	Psychology and Marketing
106			209	DJ Lee, JH Pae, YH Wong	A model of close business relationships in China (<i>guanxi</i>)	2001	European Journal of Marketing
107			195	C Su, JE Littlefield	Entering <i>guanxi</i> : a business ethical dilemma in mainland China?	2001	Journal of Business Ethics
108			172	P Steidlmeier	Gift giving, bribery and corruption: Ethical management of business relationships in China	1999	Journal of Business Ethics
109			123	MM Pearson	The Janus face of business associations in China: socialist corporatism in foreign enterprises	1994	The Australian Journal of Chinese Affairs
110			118	S Morisaki, WB Gudykunst	Face in Japan and the United States	1994	State University of New York Press
111			89	C Mok, AL DeFranco	Chinese cultural values: Their implications for travel and tourism marketing	2000	Journal of Travel & Tourism Marketing
112			69	SJ Heine	An exploration of cultural variation in self-enhancing and self-improving motivations	2003	Nebraska Symposium on Motivation
113			67	TA Metzger	The Western concept of a civil society in the context of Chinese history	1998	
114			63	JE Chung, DT Pysarchik	A model of behavioral intention to buy domestic versus imported products in a Confucian culture	2000	Marketing Intelligence & Planning
115			61	TI Kindel	A partial theory of Chinese consumer behavior: marketing strategy implications	1983	Hong Kong Journal of Business Management
116			59	F Gong, SJL Gage, LA Tacata	Helpseeking behavior among Filipino Americans: A cultural analysis of face and language	2003	Journal of Community Psychology
117			59	SD Blum	Naming practices and the power of words in China	1997	Language in Society
118			59	N Kibria	Of blood, belonging, and homeland trips: transnationalism and identity among second-generation Chinese and Korean Americans	2002	The changing face of home: The transnational ...
119			59	J Ye	Traditional and online support networks in the cross-cultural adaptation of Chinese international students in the United States	2006	Journal of Computer-Mediated Communication

			Citations	Authors	Title	Year	Publication resources
120			25	S Yuan, Y Gao, Y Zheng	Face awareness, status consumption and conspicuous consumption: the model and its empirical test (in Chinese)	2009	Finance and Economics (in Chinese)
121			21	Kindel, T. I.	Chinese consumer behavior: historical perspective plus an update on communication hypotheses	1985	SV-Historical Perspective in Consumer Research: National and International Perspectives.
122			19	X Qi	Face A Chinese concept in a global sociology	2011	Journal of Sociology
123			19	WWS Mak, SX Chen	Face concern: Its role on stress–distress relationships among Chinese Americans	2006	Personality and individual differences
124			19	WWS Mak, SX Chen, AG Lam, VF Yiu	Understanding Distress The Role of Face Concern Among Chinese Americans, European Americans, Hong Kong Chinese, and Mainland Chinese	2009	The Counseling Psychologist
125			18	Chan, A.	The Chinese concepts of <i>guanxi</i> , <i>Mianzi</i> , <i>renqing</i> and <i>Bao</i> : Their interrelationships and implications for international business.	2006	Australian and New Zealand Marketing Academy Conference. Brisbane, Queensland
126			18	M DeYoung	One face of the devil: The satanic ritual abuse moral crusade and the law	1994	Behavioral Sciences & the Law
127			18	DYF Ho	The concept of “face” in Chinese-American interaction	1991	Encountering the Chinese: A guide for Americans
128			17	KL Chan	Protection of face and avoidance of responsibility: Chinese men’s account of violence against women	2009	Journal of Social Work Practice
129			17	PW Cardon	Reacting to Face Loss in Chinese Business Culture: An Interview Report.	2006	Business Communication Quarterly
130			16	Lu Xun	Selected works of Lu Hsun	1956	Foreign Languages Press.
131			16	Y Liao, M Bond	The dynamics of face loss following interpersonal harm for Chinese and Americans	2010	Journal of Cross-Cultural Psychology
132			15	RL Moore	Face and networks in urban Hong Kong	1988	City & Society
133			14	Y Lau, D Fu, Keung Wong	Are concern for face and willingness to seek help correlated to early postnatal depressive symptoms among Hong Kong Chinese women? A cross-sectional questionnaire survey	2008	International Journal of nursing studies
134			14	JG Oetzel, S Ting-Toomey, T Masumoto, Y Yokochi, X Pan, J Takai & R Wilcox	Face behaviors in interpersonal conflicts: A cross-cultural comparison of Germany, Japan, China, and the United States	2001	Communication Monographs
135			14	M He, S Zhang	Re-conceptualizing the Chinese concept of face from a face-sensitive perspective: A case study of a modern Chinese TV drama	2011	Journal of Pragmatics
136			13	CS Hsu	Face: An Ethnographic Study of Chinese Social Behavior	1998	
137			13	W Jia	The Chinese conceptualizations of face: Emotions, communication, and personhood	2003	Intercultural Communication: A Reader. Belmont, CA: Thomson Wadsworth
138			13	LS Pheng	Thick face, black heart and the marketing of construction services in China	1997	Marketing Intelligence & Planning
139			12	M Carr	Chinese" Face" in Japanese and English (Part 2)	1993	小樽商科大学人文研究
140			12	B Jin, JH Kang	Face or subjective norm? Chinese college students' purchase behaviors toward foreign brand jeans	2010	Clothing and Textiles Research Journal
141			12	Y Zhu, JL Qi, J Zhang	Self-face identification in Chinese students	2004	Acta Psychologica Sinica
142			12	H Sun Park, X Guan	The effects of national culture and face concerns on intention to apologize: A comparison of the USA and China	2006	Journal of Intercultural Communication Research

			Citations	Authors	Title	Year	Publication resources
143			11	J Chapman, CS Estcourt, Z Hua	Saving 'face' and 'othering': getting to the root of barriers to condom use among Chinese female sex workers	2008	Sexual health
144			11	Q Dong, YF Lee	The Chinese concept of face: a perspective for business communicators	2007	Southwest Decision Sciences Institute
145			11	M Haugh	What does 'face' mean to the Japanese? Understanding the import of 'face' in Japanese business interaction	2005	Asian Business Discourse. Peter Lang, Berlin
146			10	J Tierney	About face: the China decision and its consequences	1979	Crown
147			10	K Sueda	Differences in the perception of face: Chinese <i>mien-tzu</i> and Japanese <i>mentsu</i>	1995	World Communication
148			10	BLK Pillsbury	Factionalism Observed: Behind the "Face" of Harmony in a Chinese Community	1978	The China Quarterly
149			10	AM Lindridge, C Wang	Saving "face" in China: Modernization, parental pressure, and plastic surgery	2008	Journal of Consumer Behaviour
150			10	RL Chu	Social interactions among the Chinese: On the issue of face	2006	Chinese Social Psychological Review
151			10	C Wang, Cui, N.	Individual consumption or status consumption: How Chinese face influences consumers by the relationship with brands (in Chinese)	2011	Economic Management (in Chinese)
152			10	W Gao, B Cao, S Shan, D Zhou, X Zhang, D Zhao, SSE AI	The CAS-PEAL large-scale Chinese face database and evaluation protocols	2004	Joint Research & Development Laboratory, CAS.
153			9	Cao, Z.	Chinese Face and Luxury Consumption (in Chinese)	2006	Management and Administration
154			9	AC Peng, D Tjosvold	Social face concerns and conflict avoidance of Chinese employees with their Western or Chinese managers	2011	human relations
155			8	G Gao	9. Face and self in Chinese communication	2014	Equinox Books
156			8	LC Wan	Culture's impact on consumer complaining responses to embarrassing service failure	2013	Journal of Business Research
157			8	Jiang, C.	Face, symbol and consumption (in Chinese)	2008	Guangxi Soical Scince (in Chinese)
158			8	C.G. Hinze	Re-thinking 'face': pursuing an emic-etic understanding of Chinese <i>Mian</i> and <i>Lian</i> and English face	2002	espace.library.uq.edu.au
159			8	L YAN, S YAO, J XIE, Y LING	On Chinese People's Sensibility of Face	2007	Journal of Educational Science of Hunan Normal University
160			8	XW Zhai	The Chinese concepts of face	1995	Taipei, Taiwan: Gui Guan (in Chinese)
161			7	PW Cardon	A model of face practices in Chinese business culture: Implications for western businesspersons	2009	Thunderbird International Business Review
162			7	M Haugh	Disentangling face, facework and im/politeness	2013	Sociocultural Pragmatics
163			7	L Le Monkhouse, BR Barne	The influence of face and group orientation on the perception of luxury goods: A four market study of East Asian consumers	2012	International Marketing Review
164			7	RL Chu	Face and Achievement-the Examination of Social Oriented Motives in Chinese Society	1989	Chinese Journal of Psychology
165			7	F Guo, H Hu	From Political Pattern to Culture Pattern: Moral Education of Chinese Present Age of Pattern Changes the Road and Face [J]	2008	Journal of Northeast Normal University (Philosophy ...
166			7	L Siew-Peng	Managing 'face', hygiene and convenience at a Chinese funeral in Singapore	2003	Mortality

			Citations	Authors	Title	Year	Publication resources
167			7	J ZHANG	Polysemous Words: The English and Chinese" Face [J]	2003	Journal of Foreign Languages
168			7	SH Chen	Power relations between the researcher and the researched: an analysis of native and nonnative ethnographic interviews	2011	Field Methods
169			7	X Wu	The dynamics of Chinese face mechanisms and classroom behaviour: a case study	2009	Evaluation & research in education
170			6	W Tiejun	A Review on the Study of the Concept of Mianzi and Its Function [J]	2004	Psychological Science
171			6	DZ Kadar, M Haugh, WLM Chang	Aggression and perceived national face threats in Mainland Chinese and Taiwanese CMC discussion boards	2013	Multilingua-Journal of Cross-Cultural and Interlanguage Communication
172			6	L Ye, A Pang	Examining the Chinese Approach to Crisis Management: Cover-Ups, Saving Face, and Taking the "Upper Level Line"	2011	Journal of Marketing Channels
173			6	S Warring	Facilitating independence amongst Chinese international students completing a Bachelor of Applied Business Studies Degree	2010	Innovations in Education and Teaching International
174			6	T Wang, Zhang	Why do consumers feel their face enhanced? A study on consumers' face (in Chinese)	2011	Economic Management (In Chinese)
175			6	A Mintu-Wimsatt, RJ Calantone	Intra-and Inter-Cultural Negotiations: A Chinese Buyer's Perspective	1995	Journal of Marketing Theory and Practice
176			6	R Davison	National cultures, organisational forms and group support systems	1996	Working paper, Department of Information Systems, City University Hong Kong
177			6	Y Gu	Politeness and Chinese face	1998	Lecture given in the Department of Linguistics, University of Luton, Summer
178			6	CG Hinze	Re-thinking'face': pursuing an emic-etic understanding of Chinese Mian and Lian and English face	2002	The University of Queensland
179			6	H Winthrop	Self-images of personal adjustment vs. the estimates of friends	1959	The Journal of Social Psychology
180			6	MS Chung, HJ Kim	The effects of social-face sensitivity, conspicuous consumption and preference of fashion luxury goods on purchasing behavior of fashion counterfeits	2009	The Research Journal of the Costume Culture
181			6	R Kapur	The profanity of prudery: The moral face of obscenity law in India	1997	Women: A Cultural Review
182			5	TA Metzger	Confucian thought and the modern Chinese quest for moral autonomy	1988	Journal of Social Sciences and Philosophy
183			5	Yuan, L.	a research on Chinese 90s University students' conspicuous consumption (in Chinese)	2011	Jilin University Press
184			5	Ding, Y.	the analysis of the influence of Chinese face culture toward conspicuous consumption (in Chinese)	2010	Graduates Journal of Central South University of Economics
185			4	T Lu, H Zhang, & X Yang.	Face consumption and <i>guanxi</i> Consumption (in Chinese)	2004	China Marketing (in Chinese)

APPENDIX 2: PRELIMINARY TEST QUESTIONNAIRE

Preliminary Test to clarify product categories by two dimensions:

luxury-necessity vs public-private consuming occasion

For following items, please circle the number that best expresses the extent to which you either agree or disagree with that product.

Part 1: Luxury product VS. Necessity

Luxury product: not needed for ordinary, day-to-day living

Necessity: necessary for ordinary, day-to-day living

		A luxury for everyone	A luxury for almost all people	A luxury for the majority of people	A necessity for the majority of people	A necessity for almost all people	A necessity for everyone
p1	Cell phone	1	2	3	4	5	6
p2	Fashion Magazine	1	2	3	4	5	6
p3	Wallet	1	2	3	4	5	6
p4	Wristwatch	1	2	3	4	5	6
p5	Tablet computer	1	2	3	4	5	6
p6	Car refrigerator	1	2	3	4	5	6
p7	Satellite phone	1	2	3	4	5	6
p8	Tent	1	2	3	4	5	6
p9	Professional camera (SLR, etc.)	1	2	3	4	5	6
p10	GPS Navigator	1	2	3	4	5	6
p11	tennis racket	1	2	3	4	5	6
p12	Swimming cap and Goggles	1	2	3	4	5	6
p13	Windsurfing board	1	2	3	4	5	6
p14	Men's suit/lady's dress	1	2	3	4	5	6
p15	Private car (foreign brand)	1	2	3	4	5	6
p16	Desktop PCS	1	2	3	4	5	6
p17	Washing machine	1	2	3	4	5	6
p18	Garment Steamer	1	2	3	4	5	6
p19	Cosmetics	1	2	3	4	5	6
p20	Toothpaste	1	2	3	4	5	6
p21	Shampoo	1	2	3	4	5	6

		A luxury for everyone	A luxury for almost all people	A luxury for the majority of people	A necessity for the majority of people	A necessity for almost all people	A necessity for everyone
p22	Scarf	1	2	3	4	5	6
p23	Dress Shoes/high heels	1	2	3	4	5	6
p24	Professional sports shoes	1	2	3	4	5	6
p25	Socks	1	2	3	4	5	6
p26	Suitcase	1	2	3	4	5	6
p27	Jewellery	1	2	3	4	5	6
p28	Perfume	1	2	3	4	5	6
p29	Handkerchief	1	2	3	4	5	6
p30	Badminton racket	1	2	3	4	5	6
p31	Rollers shoes	1	2	3	4	5	6
p32	LCD/LED TVS	1	2	3	4	5	6
p33	HDD	1	2	3	4	5	6
p34	Laptop	1	2	3	4	5	6
p35	Briefcase/purse	1	2	3	4	5	6
p36	Underwear	1	2	3	4	5	6
p37	Ties/dress scarf	1	2	3	4	5	6
p38	Bedding	1	2	3	4	5	6
p39	Jeans	1	2	3	4	5	6
p40	Facial foam	1	2	3	4	5	6
p41	Skin cream, face cream	1	2	3	4	5	6
p42	Dinnerware (bowls, plates, chopsticks, spoons, cups)	1	2	3	4	5	6
p43	Tea sets	1	2	3	4	5	6
p44	Bears	1	2	3	4	5	6
p45	Tea	1	2	3	4	5	6
p46	Foot bath Massager	1	2	3	4	5	6
p47	Cold medicine	1	2	3	4	5	6
p48	Tissue	1	2	3	4	5	6
p49	Dishwasher						
p50	Jacuzzi	1	2	3	4	5	6
p51	Fridge	1	2	3	4	5	6
p52	Coca-Cola	1	2	3	4	5	6
p53	Seasoning products(Salt, vinegar, etc.)	1	2	3	4	5	6
p54	Snacks	1	2	3	4	5	6
p55	Rice, flour	1	2	3	4	5	6

		A luxury for everyone	A luxury for almost all people	A luxury for the majority of people	A necessity for the majority of people	A necessity for almost all people	A necessity for everyone
p56	Soymilk maker	1	2	3	4	5	6
p57	Disinfection cabinet	1	2	3	4	5	6
p58	Iron	1	2	3	4	5	6
p59	Pen	1	2	3	4	5	6
p60	Game consoles (XBOX, PS3, Wii)	1	2	3	4	5	6
p61	Milk	1	2	3	4	5	6
p62	Massage chair	1	2	3	4	5	6
p63	Health Products	1	2	3	4	5	6
p64	Blood pressure meter	1	2	3	4	5	6
p65	Electric Toothbrush						
p66	Piano	1	2	3	4	5	6
p67	eBook	1	2	3	4	5	6
p68	BBQ Grill	1	2	3	4	5	6
p69	Cinema membership card	1	2	3	4	5	6
p70	Coffee machine	1	2	3	4	5	6
p71	Sunglasses	1	2	3	4	5	6
p72	Surfboard	1	2	3	4	5	6
p73	Ski boots	1	2	3	4	5	6
P74	High-grade cigarette	1	2	3	4	5	6
P75	Bicycle	1	2	3	4	5	6
P76	Fishing Rods	1	2	3	4	5	6
P77	Mountain bike	1	2	3	4	5	6
P78	Mouth wash	1	2	3	4	5	6
P79	Pedometer	1	2	3	4	5	6
P80	Fitness membership Card	1	2	3	4	5	6

Part two: publicly consumed VS. Privately consumed

Public product: ones that other people are aware you possess and use. If they want to, others can identify the brand of the product with little or no difficulty.

Private product: ones that used at home or in private at some location. Except for your immediate family, people would be unaware that you own or use the product.

		A public product for everyone	A public product for almost all people	A public product for the majority of people	A private product for the majority of people	A private product for almost all people	A private product for everyone
p1	Cell phone	1	2	3	4	5	6
p2	Fashion Magazine	1	2	3	4	5	6
p3	Wallet	1	2	3	4	5	6
p4	Wristwatch	1	2	3	4	5	6
p5	Tablet computer	1	2	3	4	5	6
p6	Car refrigerator	1	2	3	4	5	6
p7	Satellite phone	1	2	3	4	5	6
p8	Tent	1	2	3	4	5	6
p9	Professional camera (SLR, etc.)	1	2	3	4	5	6
p10	GPS Navigator	1	2	3	4	5	6
p11	Tennis racket	1	2	3	4	5	6
p12	Swimming cap and Goggles	1	2	3	4	5	6
p13	Windsurfing board	1	2	3	4	5	6
p14	Men's suit/lady's dress	1	2	3	4	5	6
p15	Personal car under foreign brands	1	2	3	4	5	6
p16	Desktop PCS	1	2	3	4	5	6
p17	Washing machine	1	2	3	4	5	6
p18	Garment Steamer	1	2	3	4	5	6
p19	Cosmetics	1	2	3	4	5	6
p20	Toothpaste	1	2	3	4	5	6
p21	Shampoo	1	2	3	4	5	6
p22	Scarf	1	2	3	4	5	6
p23	Dress Shoes/high heels	1	2	3	4	5	6
p24	Professional sports shoes	1	2	3	4	5	6
p25	Socks	1	2	3	4	5	6
p26	Suitcase	1	2	3	4	5	6
p27	Jewellery	1	2	3	4	5	6
p28	Perfume	1	2	3	4	5	6
p29	Handkerchief	1	2	3	4	5	6
p30	Badminton racket	1	2	3	4	5	6
p31	Rollers shoes	1	2	3	4	5	6
p32	LCD/LED TVS	1	2	3	4	5	6
p33	HDD	1	2	3	4	5	6
p34	Laptop	1	2	3	4	5	6

		A public product for everyone	A public product for almost all people	A public product for the majority of people	A private product for the majority of people	A private product for almost all people	A private product for everyone
p35	Briefcase/purse	1	2	3	4	5	6
p36	Underwear	1	2	3	4	5	6
p37	Ties/dress scarf	1	2	3	4	5	6
p38	Bedding	1	2	3	4	5	6
p39	Jeans	1	2	3	4	5	6
p40	Facial foam	1	2	3	4	5	6
p41	Skin cream, face cream	1	2	3	4	5	6
p42	Dinnerware (bowls, plates, chopsticks, spoons, cups)	1	2	3	4	5	6
p43	Tea sets	1	2	3	4	5	6
p44	Bears	1	2	3	4	5	6
p45	Tea	1	2	3	4	5	6
p46	Foot bath Massager	1	2	3	4	5	6
p47	Cold medicine	1	2	3	4	5	6
p48	Tissue	1	2	3	4	5	6
p49	Dishwasher						
p50	Jacuzzi	1	2	3	4	5	6
p51	Fridge	1	2	3	4	5	6
p52	Coca-Cola	1	2	3	4	5	6
p53	Seasoning products (Salt, vinegar, etc.)	1	2	3	4	5	6
p54	Snacks	1	2	3	4	5	6
p55	Rice, flour	1	2	3	4	5	6
p56	Soy milk maker	1	2	3	4	5	6
p57	Disinfection cabinet	1	2	3	4	5	6
p58	Iron	1	2	3	4	5	6
p59	Pen	1	2	3	4	5	6
p60	Game consoles (XBOX, PS3, Wii)	1	2	3	4	5	6
p61	Milk	1	2	3	4	5	6
p62	Massage chair	1	2	3	4	5	6
p63	Health Products	1	2	3	4	5	6
p64	Blood pressure meter	1	2	3	4	5	6
p65	Electric Toothbrush						

		A public product for everyone	A public product for almost all people	A public product for the majority of people	A private product for the majority of people	A private product for almost all people	A private product for everyone
p66	Piano	1	2	3	4	5	6
p67	eBook	1	2	3	4	5	6
p68	BBQ Grill	1	2	3	4	5	6
p69	Cinema membership card	1	2	3	4	5	6
p70	Coffee machine	1	2	3	4	5	6
p71	Sunglasses	1	2	3	4	5	6
p72	Surfboard	1	2	3	4	5	6
p73	Ski boots	1	2	3	4	5	6
P74	High-grade cigarette	1	2	3	4	5	6
P75	Bicycle	1	2	3	4	5	6
P76	Fishing Rods	1	2	3	4	5	6
P77	Mountain bike	1	2	3	4	5	6
P78	Mouth wash	1	2	3	4	5	6
P79	Pedometer	1	2	3	4	5	6
P80	Fitness membership Card	1	2	3	4	5	6

Your Gender is:

1. Male
2. Female

Your age is:

1. 41-54
2. 29-40
3. 18-28
4. Under 18
5. Over 54

APPENDIX 3: THE ONLINE PANEL RESPONDING PAGES

The online panel page whereby participants indicate the degree of their perceptions about 80 products by **luxury and necessity** dimensions (the first page only is shown here due to the space limitation)

SURVEYCOOL®

You have finished:  20%

消费品分类调查

• 第一部分：奢侈品产品与生活必需品的分类？（不以价格高低为标准，以是否生活所必需为标准）

奢侈品产品的定义：能带来额外的享受和便利，但不是必需的普通产品，不是日常生活必需的。（注意：这里的奢侈品类不是指奢侈品牌，不是以价格高低为衡量）

生活必需品的定义：日常生活使用，每日所需。

第一组（14个）说明：在这个选择中，数字1-6标明两个对立端的程度，1是最典型的奢侈品产品，6是最典型的生活必需品，中间是不同偏好的程度。请针对每个产品，选出符合您理解的程度数。

	对所有人来说这是 奢侈品 1	对绝大多数人来说 这是奢侈品 2	对大多数人来说这 是奢侈品 3	大多数人的生活必 需品 4	绝大多数人的生活 必需品 5	对所有人来说都是 生活必需品 6
p1手机	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p2时尚杂志	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p3钱包	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p4手表	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p5平板电脑	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p6车载冰箱	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p7卫星电话	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p8户外帐篷	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p9专业相机（单反等）	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p10GPS 导航仪	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	对所有人来说这是 奢侈品 1	对绝大多数人来说 这是奢侈品 2	对大多数人来说这 是奢侈品 3	大多数人的生活必 需品 4	绝大多数人的生活 必需品 5	对所有人来说都是 生活必需品 6
p11网球拍	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p12专业泳镜及泳帽	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p13私人帆板	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p14正装（男士西服， 女士时装）	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Next Page

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The remainder of the 80 products measurement follows (omitted).

The second part of the online panel data collection page whereby participants indicate the degree of their perceptions about 80 products by **public-private** dimension (the first page only is shown here due to the space limitation).

消费品分类调查

* 第二部分: 根据消费场合对产品分类为公共场所消费产品与私人场所消费品。
公共场所消费品定义: 使用时能被别人看到和辨识的产品。比如: 服装、私家车等。
私人场所消费品定义: 个人在家或私人场所使用的产品, 除了你家人, 别人基本不知道你是否拥有和使用情况, 比如: 牙膏、袜子、床上用品等。请从自己使用角度出发进行选择, 不用考虑家庭成员的使用情况。
 第一组(15个)说明: 在这个选择中, 数字1-6标明两个对立端的程度, 1是最典型的公共场所消费品, 6是最典型的私人场所消费品, 中间是不同偏向的程度。请针对每个产品, 选出符合您理解的程度数。

	对所有人来说这是 公共场所消费品 1	对绝大多数人来说 这是公共场所消费 品 2	对大多数人来说这 是公共场所消费品 3	对大多数人来说是 私人场所消费品 4	绝大多数人来说是 私人场所消费品 5	对所有人来说都是 私人场所消费品 6
pc1手机	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc2时尚杂志	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc3钱包	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc4手表	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc5平板电脑	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc6车载冰箱	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc7卫星电话	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc8户外帐篷	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc9专业相机(单反等)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc10GPS 导航仪	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	对所有人来说这是 公共场所消费品 1	对绝大多数人来说 这是公共场所消费 品 2	对大多数人来说这 是公共场所消费品 3	对大多数人来说是 私人场所消费品 4	绝大多数人来说是 私人场所消费品 5	对所有人来说都是 私人场所消费品 6
pc11网球拍	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc12专业泳镜及泳帽	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc13私人帆板	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
pc14正装(男士西服, 女士时装)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Next Page

The remainder of the 80 products measurement follows (omitted).

The finished page with demographic questions (gender, city and ages)

SURVEYCOOL®

消费品分类调查

说明：本调研的目的是了解您对一下产品使用属性上的理解。请您根据对每个产品的理解，选出您个人认为合适的描述，圈出其对应的数字。以您本人使用角度出发，不用推及其他人的理解。

* 1、请问您的性别是？

- 1、男
- 2、女

* 2、请问您所在的城市是？

* 3、请问您的年龄是？

- 1、18岁以下
- 2、18-28岁
- 3、29-40岁
- 4、41-54岁
- 5、54岁以上

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APPENDIX 4: THE SCORES RANK FOR EACH AGE GROUP IN THE PRELIMINARY TEST

Young (aged 18-28)

PRELIMINARY-TEST MEAN SCORES RANKING

AGE 1 Product category	scale comparison (value)		
	Luxury (1)- Necessity (6)	Public (1)- Private (6)	NecPri Root
Public-Luxury (PUL)			
Private car (foreign brand)	2.03	2.40	2.58
Surfboard	2.39	2.83	2.03
Skis/Ski boots	2.48	2.91	1.91
Luxury cigarette	2.55	3.09	1.76
Public-necessity (PUN)			
Briefcase/handbag	4.56	2.49	1.63
Jeans	5.39	3.31	1.54
Pen	5.45	3.54	1.51
Cell phone	4.94	3.03	1.35
Private-luxury (PRL)			
Jacuzzi	2.42	5.17	1.98
Dishwasher	3.08	5.09	1.42
Massage chair	2.82	4.66	1.36
Electric Toothbrush	3.31	5.03	1.23
Private-necessity (PRN)			
Bedding	5.65	5.66	2.30
Underwear	5.71	5.51	2.25
Toothpaste	5.83	5.31	2.22
Shampoo	5.87	5.17	2.17

Middle aged (29-40)

PRELIMINARY-TEST MEAN SCORES RANKING

AGE 2	scale comparison (value)		
Product category	Luxury (1)- Necessity (6)	Public (1)- Private (6)	NecPri Root
Public-Luxury (PUL)			
Private car (foreign brand)	2.04	2.21	2.67
Windsurfing board	1.88	3.40	2.23
Skis/Ski boots	2.43	3.00	1.88
luxury cigarette	2.55	3.30	1.64
Public-necessity (PUN)			
Cell phone	5.07	2.43	1.87
Jeans	5.21	3.13	1.46
Dress Shoes/high heels	4.73	2.70	1.46
Scarf	5.19	3.21	1.39
Private-luxury (PRL)			
Jacuzzi	2.52	5.00	1.82
Piano	2.29	4.11	1.75
Electric Toothbrush	3.21	4.98	1.29
Massage chair	2.87	4.51	1.28
Private-necessity (PRN)			
Toothpaste	5.90	5.38	2.33
Underwear	5.66	5.64	2.32
Shampoo	5.87	5.36	2.29
Bedding	5.50	5.49	2.10

Older 3 (41-54)

PRELIMINARY-TEST MEAN SCORES RANKING

Age 3 Product category	scale comparison (value)		
	Luxury (1)- Necessity (6)	Public (1)- Private (6)	NecPri Root
Public-Luxury (PUL)			
Private car (foreign brand)	1.87	1.94	2.94
Surfboard	2.17	2.41	2.40
Skis/Ski boots	2.26	2.53	2.25
Outdoor BBQ	2.67	2.82	1.75
Public-necessity (PUN)			
Bicycle	4.87	2.79	1.53
Men's suit/women's dress	3.98	2.53	1.49
Cell phone	4.98	2.94	1.49
Dress Shoes/high heels	4.57	2.71	1.45
Private-luxury (PRL)			
Jacuzzi	2.26	4.91	1.92
Piano	2.15	4.06	1.80
Massage chair	2.66	4.65	1.44
Electric Toothbrush	3.17	5.06	1.30
Private-necessity (PRN)			
Rice, flour	5.89	5.35	2.36
Toothpaste	5.82	5.41	2.33
Bedding	5.66	5.59	2.32
Underwear	5.59	5.65	2.31

APPENDIX 5: THE MAIN SURVEY ONLINE PANEL ANSWERING PAGES

The first page:

The participants are asked to indicate their age (before that it is a consistent question above)

SURVEYCOOL®

关于产品，你怎么看

* 下列哪种说法符合您的情况？

- A、我买过啤酒，我也喝过啤酒
- B、我买过啤酒，但是我不喝啤酒
- C、我不买啤酒，但是我喝过啤酒
- D、我不买啤酒，我也从不喝啤酒

* 请问您的年龄是？

- A、18岁以下
- B、18-28岁
- C、29-40岁
- D、41-54岁
- E、54岁以上

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If the participant is of an unsuitable age, further research will be terminated with a thanks page:

态度8调查网 **中国第一家自助网络调查互动平台**

您的反馈很重要，感谢您参与本次调查！

非常感谢您参与我们的调查！

态度8调查网是根据您所回答的问卷内容来人工审核判断您的答卷情况
如果您**加入我们**，我们会努力使您有更多的机会参与现金调查，期待您能再次参与本站（www.taidu8.com）的其它调查！

接下来您可以：

- [加入我们](#)获得现金调查
- [免费浏览热门报告](#)
- [浏览网兑换赠送奖品](#)
- [关注今日团购信息](#)

本调查将遵守隐私声明，调查结果仅作研究分析使用，不会独立呈现您的观点，更不会泄露您的任何个人信息 **态度8团队奉上**

 [新浪微博](#) **V** 关注态度8最新资讯

 [新浪博客](#) 关注数字100最新动态

 [开心网](#) **W** 关注态度8最新活动

 [doc in 豆丁网](#) **V** 关注态度8最新报告

The qualified participants are assigned to a responding measuring version including responding to 4 products (or brand) according to their age (e.g. see below):

SURVEYCOOL®

You have finished: 30%

关于产品, 你怎么看

现在假设您要购买香烟, 多大程度上你认可以下的说法? 请选择对应的数字。(1代表非常不同意, 6代表非常同意, 中间由低到高依次代表同意的程度)

	非常不同意 1	不同意 2	稍微不同意 3	稍微同意 4	同意 5	非常同意 6
S1、我认为消费高档香烟会被周围社会所认同	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S2、我认为消费高档香烟能显示一个人更富有	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S3、我认为消费高档香烟已变成社会生活潮流	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S4、我认为没有高档香烟会让我在周围人中脱颖而出	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S5、我认为消费高档香烟是把我从别的圈子里的人区分开来的不错的方法	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S6、同事或合作伙伴对我的看法会影响我是否购买香烟的决定	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S7、身边常来往的朋友和亲戚对我的看法会影响我是否购买香烟的决定	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S8、我认为消费高档香烟能显示一个人更有经济实力	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S9、我认为消费高档香烟能显示一个人更有社会地位	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S10、我觉得消费高档香烟的人会被别人羡慕和尊敬	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S11、我认为有自己的香烟会让我比没有的人更有面子	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

现在假设您要购买手机, 多大程度上你认可以下的说法? 请选择对应的数字。(1代表非常不同意, 6代表非常同意, 中间由低到高依次代表同意的程度)

	非常不同意 1	不同意 2	稍微不同意 3	稍微同意 4	同意 5	非常同意 6
S1、我认为使用手机会被周围社会所认同	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S2、我认为拥有手机能显示一个人更富有	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S3、我认为拥有手机已变成社会生活潮流	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S4、我认为没有自己的手机会让我在周围人中脱颖而出	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S5、我认为使用手机是把我从别的圈子里的人区分开来的不错的方法	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S6、同事或合作伙伴对我的看法会影响我是否购买手机的决定	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S7、身边常来往的朋友和亲戚对我的看法会影响我是否购买手机的决定	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S8、我认为拥有手机能显示一个人更有经济实力	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S9、我认为拥有手机能显示一个人更有社会地位	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S10、我觉得拥有手机的人会被别人羡慕和尊敬	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S11、我认为有自己的手机会让我比没有的人更有面子	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

为了保护所收集数据的质量, 此问题的目的是识别没有认真阅读此调查的受访者。请选择以下第五个选项“其他”

A、短信 B、原创 C、手画
 D、耳机 E、调查 F、不知道/不适用

现在假设您要购买一架钢琴, 多大程度上你认可以下的说法? 请选择对应的数字。(1代表非常不同意, 6代表非常同意, 中间由低到高依次代表同意的程度)

	非常不同意 1	不同意 2	稍微不同意 3	稍微同意 4	同意 5	非常同意 6
S1、我认为拥有一架钢琴会被周围社会所认同	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S2、我认为拥有一架钢琴已变成社会生活潮流	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S3、我认为没有自己的钢琴会让我在周围人中脱颖而出	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S4、我认为拥有一架钢琴是把我从别的圈子里的人区分开来的不错的方法	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S5、同事或合作伙伴对我的看法会影响我是否购买钢琴的决定	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S6、身边常来往的朋友和亲戚对我的看法会影响我是否购买钢琴的决定	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S7、我认为拥有一架钢琴能显示一个人更有经济实力	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S8、我认为拥有一架钢琴能显示一个人更有社会地位	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S9、我觉得拥有一架钢琴的人会被别人羡慕和尊敬	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

现在假设您要购买床上用品(家纺), 多大程度上你认可以下的说法? 请选择对应的数字。(1代表非常不同意, 6代表非常同意, 中间由低到高依次代表同意的程度)

	非常不同意 1	不同意 2	稍微不同意 3	稍微同意 4	同意 5	非常同意 6
S1、我认为拥有床上用品会被周围社会所认同	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S2、我认为使用床上用品已变成社会生活潮流	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S3、我认为没有床上用品会让我在周围人中脱颖而出	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S4、我认为使用床上用品是把我从别的圈子里的人区分开来的不错的方法	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S5、同事或合作伙伴对我的看法会影响我是否购买床上用品的决定	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S6、身边常来往的朋友和亲戚对我的看法会影响我是否购买床上用品的决定	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S7、我认为拥有床上用品能显示一个人更有经济实力	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S8、我认为拥有床上用品能显示一个人更有社会地位	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
S9、我觉得拥有床上用品的人会被别人羡慕和尊敬	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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Followed by the participant's demographic indication:

关于产品, 你怎么看

* 请问您的性别是?

A、男性 B、女性

* 请问您的婚姻状况是?

A、单身 B、已婚 C、其他

* 下列哪种说法符合您的情况?

A、我喝过啤酒, 我也买过啤酒 B、我从没喝过啤酒, 但是我买过啤酒

C、我喝过啤酒, 但是我从没买过啤酒 D、我从没喝过啤酒, 我也从没买过啤酒

* 请问您的居住情况是? (大多数时间)

A、自己住 B、跟父母一起住

C、自己的家庭单独住 (三口或四口之家) D、自己的家庭跟父母的家庭一起住 (四口人以上)

* 请问您的最高学历是?

A、高中 B、大学 C、硕士及以上 D、其他

* 请问您的月收入大约是?

A、现在没有收入 B、1-3000 元 C、3001-6000 元

D、6001-10000 元 E、10001-20000 元 F、20000 以上

* 请问您居住的城市是? (请用汉字认真作答, 谢谢) _____

* 请问您已经在这个城市居住的时间?

A、一年以下 B、1-3 年 C、3-6 年 D、6年以上

Submit

Each individual ID will allow participation in the survey only once. The second time will be rejected. See notice page below.



You have already responded to the Survey, Thanks for your participation.



马上发布你的调查!

每个人都有一些自己关心和想问的问题, 关于工作、休闲、娱乐、兴趣爱好……

这里每天都有1000多位朋友发布调查, 您是否也心动了呢? 赶快加入我们!

加入我们

WWW.TAIDU8.COM