Consuming Identities

How the Contemporary Chinese Middle Class Use Consumption in their Search for Individuality and Identity

Margrethe Lia

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Margrethe Lia
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Abstract

China has seen a tremendous economic growth during the last three decades. With a renewed focus on economic development in the reform era, increased domestic consumption has been both natural and important for the Chinese government. The increased focus on material goods has led to the appearance of consumerism and individualism in the country. China is becoming an individualised society; a society where individuals are becoming more and more self-dependent. Chinese individuals have welcomed these new opportunities for self-expression, and embraced shopping as well as a consumer culture. Consumption and self-definition through the accumulation of commodities has become important for large parts of the population. In an individualised society, social stratification is increasingly defined by lifestyle and consumption. Consumption signifies both your social status and personal identity.

This thesis have found that Chinese individuals are taking to new consumption habits, the urban young are spending more and are seemingly not too worried about their future. Individuals are increasingly attaching importance to their own wants and preferences regarding consumption and lifestyle. Branded goods, and their role as status carriers, are still important, but I will argue that other considerations are starting to prevail. Considerations of personal style and individual identity are important among my informants. The middle class and the other individuals I interviewed in Xiamen are increasingly defining themselves through consumption, and are in effect consuming identities.
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Oslo, May 16th, 2012

Margrethe Lia
# Index

1. **Introduction** .................................................................................................................. 1
   1.1 Research Questions ........................................................................................................ 3
   1.2 Short Outline of Thesis .................................................................................................. 4
2. **Methodology- Fieldwork** ................................................................................................. 5
   2.1 My fieldwork in Xiamen ............................................................................................... 5
   2.2 How the Fieldwork was Conducted ............................................................................... 6
3. **Theoretical framework** ..................................................................................................... 11
   3.1 Individualism and its basic ideas ................................................................................ 11
   3.2 Individualisation theory ............................................................................................... 13
   3.3 Individualisation in China .......................................................................................... 18
   3.4 China- From Class to Individual ................................................................................ 18
   3.5 The Uncivil Individual ............................................................................................... 21
   3.6 Is China Following the Western Path to Individualisation? .................................... 23
   3.7 Conclusion: Individualisation in Practice ................................................................... 25
4. **The dream of Middle Class living** .................................................................................. 28
   4.1 Different Definitions of the Chinese Middle Class ..................................................... 29
   4.2 The middle class of Xiamen - my fieldwork ............................................................... 34
   4.3 Aspirations of Middle Class Living ............................................................................ 35
   4.4 Consumption as Means of Social Distinction ........................................................... 37
   4.5 Conclusion .................................................................................................................... 39
5. **The Chinese Consumer** ................................................................................................... 41
   5.1 Consumerism in China ............................................................................................... 41
   5.2 Characteristics of the Chinese Consumer .................................................................... 43
   5.3 The Chinese Consumers’ Consumption Habits .......................................................... 46
   5.4 Saving and Loaning Money for Consumption ............................................................ 52
   5.5 Conclusion .................................................................................................................... 55
6. **Purchased goods as symbols of wealth and status** .......................................................... 56
   6.1 Goods as Symbol Containers ..................................................................................... 57
   6.2 The Three Big Items .................................................................................................. 58
   6.3 How Chinese Individuals use Commodities ............................................................... 60
   6.4 Keeping Up with the “Chens” .................................................................................... 62
1 Introduction

This thesis will analyse an important aspect of the individualisation of Chinese society after Deng Xiaoping’s takeover in 1978 by focusing on how the contemporary Chinese middle class are identifying themselves through consumption, and how important consumption is in their search for identity and individuality.

China’s last 30 years of economic growth has been astonishing; in 2009 China was the second largest economy in the world, just after the United States. The last decade of growth has, according to the consultant firm McKinsey&Company, tripled the size of China’s economy. So far, investment has been the biggest driver of growth, while private consumption has declined from 46% of the Gross Domestic Product (GDP) in 2000 to 33% in 2010.1 A manufacturing and investment-led growth can only take a country’s economic development to a certain level, and China is in need of a shift to consumption-led growth in order to continue the rapid economic growth.2 That China needs to increase its domestic consumption has been clear to the party-state since the end of the 1990s, and since then there has been a focus on policies aimed at increasing domestic demand and consumption.3 Recent global developments, like the financial crisis of 2009, made it even clearer to China’s leaders that a shift of economic policy were needed.4 The results are seen in the last five-year plan of 2011, where there has been a strategic readjustment of China’s growth model with greater emphasis placed on domestic demand and consumption.5 The party-state is working on the social issues preventing consumers from spending. Issues like high saving rates due to individuals’ concerns about the social safety net, low household incomes, and a general focus on investment.6 Wen Jiabao, China’s current Premier, said in the beginning of March this year that the main goal of 2012 is to raise consumption and domestic demand.7

In the early years of reform, Deng Xiaoping referred to consumption as the “motor of production.” His mantra, “to get rich is glorious,” both sanctioned riches as well as promoted the exchange of goods and the development of a retail culture.8 Elisabeth J. Croll argues that,

1 Atsmon et al. 2012:9
2 See: Knight 2011; Croll 2006a:1; Yan 2009:236
3 Tomba 2004:9; Croll 2006a:1
4 Devan et al. 2009:37
5 For the full-text 12th Five-Year Plan see: Central People's Government (中华人民共和国中央人民政府) 2011
6 Atsmon 2012:10; Anonym 2011:6; Williamson and Raman 2011
7 Riise 2012
8 Croll 2006a:30
it was not long before consumption came to symbolise the freedom of the reform era; a freedom after years of controlled scarcity. The party-state’s first goal in the 1980s was to double the GDP and to feed and clothe the population. Then, in the late 1990s, it changed into a further doubling of the GDP together with the development of a better quality of life, or “building a moderately well-off society” (小康社会). The quality of life in this new society should, with time, become the equivalent of middle class levels in developed societies. This, Yunxiang Yan states, “marked sharp contrast to the communist ideology of the pre-reform period (1949-78), when ‘hard work and plain living’ was promoted as an ideal.”

Chinese employees in general have seen a wage increase during the 1990s, some with as much as 168%. A consumers market has emerged, and shopping has become an everyday leisure activity. As household expenditure changed, urban residents found themselves in a position where they could use over half of their income on consumption of non-food items. China corresponds with the “Engels Law,” which states that as income rises, consumption patterns will change and the percentage of income used on food expenditure will decrease.

The new practices encouraging consumption in the reform era has been referred to as China’s “consumer revolution.” The rapid arrival of goods has encouraged individuals to pursue new lifestyles and adopt new identities through consumption. The economic growth has been accompanied by the emergence of mass consumption, including fashion, advertising and luxury. Trough the inflow of goods and consumerism, Chinese individuals are increasingly defining themselves through the consumption and display of different items. One of the major markers of the reform era has been the emergence of a wide range of consumer practices together with the development of markets and capitalism with Chinese characteristics. The consumer revolution has played a key part in bringing thoughts of individualism and processes of individualisation into Chinese society.

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9 Croll 2006a:30
10 Croll 2006a:2
11 Yan 2009:208
12 Tomba 2004:9
13 Elfick 2011:192; Davis 2005:692
14 See: Wu 1999:132; Banerjee and Duflo 2007:6; Croll 2006a:35
15 Croll 2006a:29
16 Elfick 2011:190
17 See: Du Gay 1996; Croll 2006b:22
18 Latham 2002:217
1.1 Research Questions

My main research questions will be: How are the Chinese middle class defining themselves through consumption? And how central is consumption in the middle class’ search for identity and individuality?

The topics of consumption, individuality and individualisation in China have been researched before. However, I believe it is of utmost importance to look deeper into the combined thematics of individualisation and consumption. Many foreign companies are looking for ways into the Chinese market, as well as China’s middle class. Then again, is the Chinese middle class really all that the West expects it to be? Many theories have been circulating about the Chinese middle class’ spending habits; how brands and fashion have become objects to prove status and show off wealth. But how important is consumption of more expensive goods and branded commodities to the Chinese middle class today? Are the middle class using commodities to define themselves and express their individual identity?

These are some of the questions I want to try to answer throughout this thesis. Through articles, books, and my fieldwork in Xiamen and Hong Kong, I believe it possible to shed light on some aspects of this very important field of interest. This thesis will argue that consumption is about so much more than just shopping and spending; it is about identity and self-realisation. Individuals may use consumption to; to confirm and re-construct their social identity, as well as express their individual desires. Through this thesis, I wish to find out how people shape their lives through the consumption of different items, and how commodities can be symbols of both individuality and identity. How objects are used in the attempt to attain or confirm class membership is important for the understanding of not only individualisation processes in the Chinese society today, but also for an understanding of the Chinese society at large.

This thesis will rely on a framework of the theories of individualisation and individuality. I have chosen these theories for my research as I believe it is best fitted for seeing the changes happening on a personal consumption level in China today, and to shed light on my research questions. The methodology of fieldwork is also well suited to research the questions asked.

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19 See among others: Croll 2006a; Davis 2000a; Hanser 2008; Wang 2008; Yan 2009; Zhang 2010
1.2 Short Outline of Thesis

Chapter 1 is an introduction to the methodology used; fieldwork, and my own experiences and approaches to the different problems I encountered in China. It also contains a detailed account of my informants, locations as well as other details. Chapter 2 will be introducing my theoretical framework; the theories of individualisation and individualism. These theories will be put into a Chinese context and their validity in China will then be discussed. I will argue that these theories help shed light on some of the important changes happening in China today. Chapter 3 is about the Chinese middle class, and the problems of defining this social group. Based on both scholarly and commonly held views among the people of China, as well as my own experiences, I will define the middle class for this thesis. The chapter will also look into middle class aspirations among the lower classes, and how consumption may be used to confirm class belonging. Chapter 4 is about the Chinese consumer, their characteristics and spending habits. I will argue that there might be changes in traditional spending habits since many young Chinese are saving less than traditionally expected. The aspect and development of consumerism in China will also be discussed. Chapter 5 is about the symbolic power of commodities. I will argue that goods can be status enhancers full of symbolic power, and that commodities’ symbolic value is an important factor for their purchase. Chapter 6 deals with the concept of branded goods in further detail. In this chapter a variety of definitions and difficulties associated with the concept of branded goods will be discussed, together with aspects of advertising and counterfeit commodities. I will argue that brands are desirable mainly because of their better quality and inherent capacity as markers of social belonging, as well as cultural heritage. In Chapter 7, I will look deeper into the segregation of social spaces. How Chinese consumers are segregated through their choice of consumption space, and how they may use commercial spaces to show their individuality and class identity. Chapter 8 is the conclusion of this thesis. I will conclude that the Chinese middle class as well as individuals from other social groups are all actively using consumption in their quest for self-fulfilment and individualisation.
2 Methodology- Fieldwork

There are numerous ways in which the thematics of individualisation and consumption could be researched. I chose fieldwork as my main methodological approach, as it gave me the opportunity to research these thematics closer, and talk directly to people in the field. Through interviews and observations, both central and important for ethnographic research, 20 I hoped to investigate further the middle class’ consumption habits and attitudes toward individualisation. The combination of these two aspects is of importance for contemporary China, and complements the consumption research conducted in other cities. 21 Through fieldwork one is supplied with new ethnographic information and, on the basis of this material, theories are developed and ideas tested. 22 Therefore, I went on a six week fieldwork trip to China and Hong Kong in the autumn of 2011. There are obvious problems in conducting fieldwork over such a limited period of time, but it can still be useful. As Elin Sæter writes in her chapter in Doing Fieldwork in China, it does not matter that much how many interviews one conducts, “What is important is the kind of interviews, observations and interactions, and what the fieldworker gets out of them.” 23 David Silverman also states that quantitative and qualitative methods may be useful in order to compare survey research to other ethnographic research, and to test other scholars’ theses. 24 Therefore, even though the duration of my fieldwork duration might be considered short, I should still be able to get insight into my area of research, to put my first-hand observations into an academic context, and to match theoretical evidence with my own empirical evidence. As Kevin O’Brien says, “the challenge of linking high-flown theory to the most local of detail is what makes fieldwork in China so exciting and rewarding.” 25

2.1 My fieldwork in Xiamen

My choice of city; Xiamen, was obvious to me from the beginning. Even though many people may argue that Shanghai would be a better choice for researching consumer habits, my network was in Xiamen, since I have lived there previously. Xiamen is located in Fujian

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20 Silverman 2010:202
21 See for example: Zhang 2010:Hanser 2008
22 Ellen 1984:35
23 Sæther 2006:55
24 Silverman 2010:140-141
province along the Taiwan Strait, and is Fujian’s second largest city, next to the capital Fuzhou. Xiamen was one of China’s five earliest special economic zones. Since the early 1980s it has received heavy investment from overseas, especially Taiwan and Hong Kong. A favoured economic environment and a Xiamen Free Trade Zone established in 1992 have brought investment and business people to Xiamen.\textsuperscript{26} According to one of my informants, the Louis Vuitton store in Xiamen, which is located in the lobby of the Marco Polo hotel, is the best selling Louis Vuitton store in China. Several informants stated that Fujian’s rich tend to travel to Xiamen for shopping and leisure.

It was quite a shock to return to Xiamen, where I had previously done my Chinese language studies. Even though I expected some changes to have occurred in the last 3 years, there were many more than I had originally imagined. Most remarkable of these changes was the amount of cars. New roads were being built while I was there in 2007-2008. When I returned, these roads, plus many more, were finished, and I often found myself lost in previously familiar areas. With 13.8 million new cars sold nationally in 2011,\textsuperscript{27} Xiamen has also seen an increase in car sales. The astonishing part is that the cars presently driving on Xiamen’s roads are not only old black Santanas, but fancy high class Bentleys and BMWs, a clear mark of Xiamen’s increasing affluence. Xiamen has also seen the opening of its first five Starbucks coffee shops in 2011. Among these is their largest shop in mainland China, made up of four floors and four hundred square metres, and which is located near Xiamen’s main tourist attraction, the island of Gulangyu.\textsuperscript{28} This investment proves the purchasing power of Xiamen’s inhabitants and travelling visitors. New shopping malls have also mushroomed all over the city’s downtown and suburban areas. These eye-catching developments confirm that Xiamen is a good place to study the emerging middle class’ consumption habits.

2.2 How the Fieldwork was Conducted

I used both qualitative and quantitative methods as well as observation in my fieldwork. I conducted interviews, a short survey, and observed consumers’ behaviour in shops and malls. A quantitative survey combined with qualitative research can, as Ellen Roy states, “provide dimensions of typicality for case material and will anyway enhance or verify the total

\textsuperscript{26} Zhang 2010:43; 厦门市人民政府\textit{(Xiamen Municipal Government.P.R.China)} 2012
\textsuperscript{27} Watts 2011
\textsuperscript{28} ChinaRetailNews.com 2011
Interviews were informal and open-ended, conducted in the form of conversations. I followed the method that Finn Sivert Nielsen suggests for conducting informal interviews; interact with the informants, ask follow-up questions, and behave according to the circumstances. The interviews were fluid conversations, open for redefinition, critique, and negotiation, and had flexible approaches. My interviews spanned from two minutes to one hour long. Since these interviews were conducted as conversations, my questions functioned as guidelines rather than providing any formal structure. All interviews were conducted in Mandarin Chinese. Xiamen is a city full of migrants and visitors and therefore, even though the locals speak the Minnanhua (閩南話) dialect, Mandarin is the everyday spoken language and is commonly heard in the streets and shops of Xiamen. I chose not to use an interpreter, and performed all the interviews myself, with the use of a digital voice recorder for some of the qualitative interviews. Later a local Chinese-speaker helped me transcribe some of these interviews. I conducted a total of 111 interviews - 69 questionnaires and 42 interviews. They were conducted at six different shopping malls, five different Starbucks coffee shops, and among friends and extended network. The following is a more detailed account of my informants:

<table>
<thead>
<tr>
<th>Age</th>
<th>Income</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-24</td>
<td>1999 Y</td>
<td>2000-4999 Y</td>
</tr>
<tr>
<td>25-30</td>
<td>700-1999 Y</td>
<td>2000-4999 Y</td>
</tr>
<tr>
<td>31-40</td>
<td>700-1999 Y</td>
<td>2000-4999 Y</td>
</tr>
<tr>
<td>40+</td>
<td>700-1999 Y</td>
<td>2000-4999 Y</td>
</tr>
<tr>
<td>Gender</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Location</td>
<td>Starbucks</td>
<td>Mall</td>
</tr>
</tbody>
</table>

(The “no info”-group also includes the ones supported by their parents or husband. The “other” contain informants met outside malls and Starbucks, for instance at a gym, or among friends, it also includes a group of shop assistants (10 individuals).)

Before I left for my fieldwork I decided, in cooperation with my advisor, not to pre-define a target group but rather to interview everyone willing to talk to me. As the majority of my fieldwork was conducted in the streets and hallways around high-end shopping malls, inside Starbucks coffee shops, and mostly among strangers, it would have been difficult to find informants if my requirements were too strict. Although this led to a huge overall span in age

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29 Ellen 1984:259
30 Nielsen and Brottveit 1996:110
31 Nielsen and Brottveit 1996:113; O'Brien 2006:36
and income, the informants being between 17-60 years old and their incomes ranging from 700-100.000RMB a month. There was, however, a clear majority of females between 20-30 years old, with an income of 2.000-5000RMB a month. The second largest group were females with an income of 5.000-10.000RMB a month. The problem with these numbers is the definition of a middle class, and whether or not my informants fall into this group. The middle class definition I have decided to adhere to in this thesis, is an income based definition of 5.000-10.000RMB a month. I will discuss this decision in further detail in Chapter 3. The middle class will be compared to the aspiring middle class (those between 2.000-5.000RMB a month) and the upper-middle class, or affluent (those earning more than 10.000RMB a month). According to this definition I have interviewed 21 middle class individuals, and 18 upper-middle or affluent. However, the majority of my informants, 42 people, belong to the aspiring part of the population. The advantage of not having a pre-defined target group is the span I got in my material. This, together with the number of interviews conducted, gives me a large material to compare. I have talked to almost every possible income group and social layer, from the “poor” teacher to the rich business man, and will therefore be able to compare informants in several of these social layers and see how their attitudes toward consumption and identity differ. Throughout the thesis, whenever I make general statements about my informants, as long as nothing else is specified, this indicates that all income layers are part of the number stated. Apart from these general numbers and percentages, I will compare the different income segments only if their answers vary. In most matters the answers from the different income groups do not vary, and it is therefore purposeful to treat them as one. In most cases direct quotes are from the middle class segment of informants. Whenever statements from other income groups than middle class are used, I will state their social class belonging. The total scope of informants did, however, remain relatively limited as I focused on commercial spaces, seeking to find shoppers, or at least people interested in shopping and branded goods. As Denzin and Lincoln put it; “Many qualitative researchers employ… purposive, and not random, sampling methods. They seek out groups, settings and individuals where …the processes being studied are most likely to occur.”32 During my fieldwork I tried to actively read the class signals each individual sent, in order to find suitable informants. From their clothes and accessories, it was possible for me to guess their income level, and I tried to single out well-dressed and fashionable informants, who seemed likely to spend money on brands-name goods. Interviews were usually one-on-one, but some group

interviews were also conducted, when interviewing staff in branded stores, or a group of friends. Individuals would jump in and comment on each other’s statements, which actually worked in my favour several times, when friends reminded the informant to tell me about an extravagant watch, which he had forgotten to mention, or told me that this girl was “all about brands.” In group interviews, as in most situations, people were extremely friendly and most helpful. My position as a young foreign Chinese-speaking girl definitely worked in my favour. Most people agreed to talk to me and eagerly explained every small detail that I asked them. To my informants I was a foreigner who needed more detailed explanations than a local Chinese would. The informants willingly opened up and were happy to help me.

Different parameters had to be set in order to analyse the ensuing material. I concluded that if an informant knew two of the brands of the clothes they were wearing, then they were brand-conscious. This result was compared to their “yes” or “no” answer to the question of whether they perceived themselves to be brand-conscious. Interviews were the right choice for finding answers to my research question. At the same time, my question of how the Chinese middle class are identifying themselves through consumption is vague and multi-layered. In order to use my interviews to shed light on these questions, I had to analyse the informants’ answers on a deeper level. As few individuals might be aware of the fact that they are using consumption as a means to show their class identity or individuality, it was important to ask questions where they would “reveal” themselves, questions like: Do they mind wearing the same clothes as other people? Do they attach importance to being unique and having their own style? Do other people or fashion magazines impact their choices? These questions were combined with more straightforward questions such as, whether or not they believed that material things are able to signify social status or, if the things that they bought could describe who they were, their individuality. These are difficult questions to answer, but most informants were able to say something about them.

Some problems during my fieldwork did occur. After a week of qualitative interviews I felt like I had learned nothing new, and that the informants were just replying as one would expect of any individual. This was an important finding, but at the same time, I wanted to dig deeper. Therefore, in collaboration with my advisor, I started on a new approach. I made a questionnaire consisting of concrete questions about what the informants were wearing. Every clothing item, phone, bag and shoes would be written down, branded and priced, together with information about the informants’ age, salary, house and car ownership. This proved to
be a more useful approach. A further 69 questionnaires were collected on top of the 42 interviews I had already conducted. The problem with this change in approach is that not all of my informants answered the same questions. Because of this, some of my material is not as complete as it could have been. Interviews in Hong Kong were also limited. Chinese mainlanders visiting Hong Kong to shop did not have much time to talk, as they were busy running around in the malls, trying to find the next bargain. Still, I did get to speak to ten individuals even there. Two of them were studying in Hong Kong, one was there to give birth, and the rest were there for leisure. Their statements, together with those of a few local shopkeepers, gave me a general overview of why mainlanders travel to Hong Kong.

Another difficult aspect of fieldwork as an analysis method is honesty. How can I know whether my informants are being honest or not? When they claim not to be influenced by the opinions of others, or that they would never buy fake brands, do they make these statements because they think that it is what I want to hear, or is it their own personal conviction? Like Nielsen states, it is difficult to know, as the informant may not be aware of the fact that he is “lying” himself, when he states what he think I want to hear, or claims the ideal situation to be real. Through both my fieldwork and further research I have therefore recognised the importance of analysing and testing the different answers given by informants. I read other scholars’ research on the theme and double-check my answers. My thesis is therefore not based on fieldwork alone, but also on other sources. Secondary sources are important, as stated by Kevin O’Brien, one will always wish that one had asked different questions in the aftermath of a fieldwork. The interviews I have collected, are important empirical evidence for many of the transformations currently happening in China. Although it is not possible to make generalisations about China based on limited research from one city, it could still give some insight into the current situation.

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33 Nielsen and Brottveit 1996:144-145
34 O’Brien 2006:32
3 Theoretical framework

“The existence of individualization has been empirically verified in numerous qualitative interviews and studies. They all point to one central concern, the demand for control of one’s own money, time, living space and body. In other words, people demand the right to develop their own perspective on life and to be able to act upon it.”


According to Beck and Beck-Gernsheim, individualisation is not only a social theory but it is latent and present in society, and in the everyday life of individuals. In this chapter I will explain some of the main theories behind individualism and individualisation. The theories of Steven Lukes (1973), Ulrich Beck (1992), Beck and Beck-Gernsheim (2002), Anthony Giddens (1991), and Zygmunt Bauman (2001) are all central and important for understanding the individualisation process and consumption patterns in Chinese society today.

Confusion around the definition and difference between the words individualism and individualisation are common. Therefore, in this chapter, I will explain both and discuss their differences and the common misconceptions about them. I will argue that individualism is a social theory commonly understood as a personal attitude or preference implemented in different degrees over time and in different societies. 36 It is an ideology about voluntary lifestyle choices or, the self-realisation of individuals. 37 Individualisation is about the complex macro-sociological changes caused by modernisation; where individuals are becoming increasingly dependent on themselves, 38 but at the same time, more dependent on society.

3.1 Individualism and its basic ideas

Individualism is a social construction whose definition varies with time and place, an artificial creation and not a natural one. 39 Individualism grew out of the general European reaction to the French Revolution and to its alleged source; the idea of enlightenment. 40 The word

35 Beck and Beck-Gernsheim 2002:32
36 Yan 2011:1
37 Alpermann 2011:10
38 Yan 2011:1; Alpermann 2011:9
39 Lukes 2006:3
40 Lukes 1973:3
*individualism* originates from the nineteenth century, and its present day meaning is determined by its early history.\(^{41}\)

The Oxford dictionary defines *individualism* like this:\(^{42}\)

1. the habit or principle of being independent and self-reliant:  
   a culture that celebrates individualism and wealth  
   * a self-centred feeling or conduct; egoism.
2. a social theory favouring freedom of action for individuals over collective or state control:  
   encouragement has been given to individualism, free enterprise, and the pursuit of profit

Since the nineteenth century, the word has been, as the dictionary definition also demonstrates, both a principle and a social theory, claimed to be both positive and negative for society, opposed to communism and described as egoism.\(^{43}\) Alexis de Tocqueville was the one that, in the nineteenth century, developed individualism’s most distinctive and influential liberal meaning in France. For him, individualism was the natural product of democracy. It involved individuals’ apathetic withdrawal from public life into a private sphere, followed by isolation from other beings, with a consequent weakening of social bonds. He claimed that individualism starts in the public life but, in the long run, attacks and destroys all others and eventually is absorbed into pure egoism. Democracy sets the individual free from earlier ties but, as the individual becomes increasingly self-sufficient, they become accustomed to always considering themselves in isolation. They then imagine that their destiny is entirely in their own hands.\(^ {44}\)

The most important countries in the development of individualism were France, Germany and England. Their concepts of individualism however, were somewhat different. The characteristically French sense of individualism is negative; signifying individual isolation and social dissolution. The German sense, on the other hand, is positive; signifying individual self-fulfilment and, except among the earliest Romantics, the organic unity of individual and society.\(^ {45}\) In England the term individualism was used to signify the absence or minimum of state intervention in economic and other social spheres, and has usually been associated with classic liberalism.\(^ {46}\) It was in the United States that individualism primarily came to celebrate

\(^{41}\) Lukes 1973:1  
\(^{42}\) “Individualism” 2012  
\(^{43}\) Lukes 1973:11  
\(^{44}\) Lukes 1973:13  
\(^{45}\) Lukes 1973:22  
\(^{46}\) Lukes 1973:39
capitalism and liberal democracy.\textsuperscript{47} The modern interpretation of individualism in the West can be defined in a number of ways; as liberty, independence, self-reliance, equality, self-improvement, utilitarian pursuits, competition, self-interest, and hedonism.\textsuperscript{48} Lukes believes in the supreme and intrinsic value of the individual, that a person’s thought and action is his own, and not determined by agencies outside his control. That privacy, an arena where the individual can pursue his own good in his own way and cultivate himself, is important, and these basic ideas lies at the heart of the idea of equality and liberty.\textsuperscript{49} Social and political rules and institutions are regarded collectively as a modifiable instrument, a means of fulfilling independently given individual objectives.\textsuperscript{50} Yet, individualism does not focus on the individual alone, it also includes a self-constraining side that recognises the equal rights of other individuals. Individualism is therefore, not only about the self, but it also regulates the relationship between the self and other equal individuals.\textsuperscript{51} In short, individualised individuals are independent and rational beings, who are the sole generators of their own wants and preferences, and the best judges of their own interests.\textsuperscript{52} A society under political individualism is no longer hierarchical, people are born free and equal, and no longer into webs of tradition.\textsuperscript{53} An individualised economic system involves, not a policy of \textit{laissez-faire}, but the demand that the government will provide a framework where competition and the price mechanism are protected and promoted.\textsuperscript{54}

The individual-society relationship occupies a central place both in the classical theories and in contemporary social thought. The theory about the individualisation of society, however, is a relatively new one intrinsically related to processes of globalisation.\textsuperscript{55}

3.2 Individualisation theory

In Western European welfare states today, the individual’s identity is increasingly being defined by lifestyle and individual biography, and not by social groups or class.\textsuperscript{56} The institutionally defined individual must increasingly rely on the security and wealth provided

\begin{thebibliography}{99}
\bibitem{47} Lukes 1973:26
\bibitem{48} Yan 2009:168
\bibitem{49} Lukes 1973:124
\bibitem{50} Lukes 1973:73
\bibitem{51} Yan 2009:168
\bibitem{52} Lukes 1973:79
\bibitem{53} Lukes 1973:85
\bibitem{54} Lukes 1973:93
\bibitem{55} Yan 2009:273-274
\bibitem{56} Yan 2009:275-276
\end{thebibliography}
by the welfare state in order to maintain what Giddens call “ontological security.” This is a paradoxical development referred to as “institutional individualism” by Beck and Beck-Gernsheim. In Western Europe, the individualisation process relies on what Beck calls “cultural democratization.” This means that democracy has been widely accepted and practiced as a principle in everyday life and social relations for so long that it has become part of the culture, instead of merely a political regime. He also claims that individualisation relies on the systems of education, social security, medical care, employment and unemployment benefits that are backed up by the welfare state. For Giddens and Beck “basic security” is a fundamental prerequisite of modern individualisation, and the welfare state a key component of ontological certainty. When a society becomes individualised its individuals are being released from formerly binding structures. However, they are not becoming free-floating individuals without restraints but rather, as the individualisation process continues, growing increasingly dependent on the state and other institutions. A welfare state has thus been seen as a prerequisite for individualisation in traditional individualisation theory, as it allows people to break away from personal dependencies and to pursue new individualised biographies.

The individualisation thesis is part of Beck’s theory of “second” or “reflexive modernity,” which consist of two theories: the individualisation theory and the theory of risk society. Beck distinguishes between two types of modernity; the first modernity and the second or reflexive modernity. The first modernity is characterised by clear-cut social categorisations and distinctions, and a straightforward logic of “either/or.” The changes set forth by the first modernity will lead to what Beck describes as “the modernization of modernization.” This gives rise to the second modernity, which is characterised by unclear concepts of belonging, an ambivalent logic of “both/and,” and multiple meanings. The hallmark of second modernity is that the plurality and ambiguity of social patterns have become accepted and recognised. Beck’s risk society comes about due to this shift towards modernity. The theory revolves around the fact that the globalisation of the world economy has radicalised the

57 Giddens 1991 in Yan 2009:276
58 Beck and Beck-Gernsheim 2002 in Yan 2009:276
59 Beck and Beck-Gernsheim 2002 in Yan 2009:290
60 Beck and Willms 2004:82-83 in Howard 2007:40
62 Lash 2002:vii; Yan 2010a:489-490
63 Alpermann 2011:8
64 Beck 1993; Beck and Lau 2005 both in Alpermann 2011:8
65 Beck and Lau 2005 in Alpermann 2011:9
competition for profit, and raised the bar higher for efficient individuals. Individuals in risk society are materially interdependent but inescapably exposed to shared risks. Consequently, the individualisation of society and social relations under post-modern conditions has been accelerated and intensified, leading to a risk society full of precarious freedom and many uncertainties. As Giddens states, modernity is a risk culture. It is not necessarily more risky than in previous periods, but the concept of risk becomes fundamental to the way individuals organise their social world. The future is continually drawn into the present by means of the reflexive organisation of knowledge environments. Modernity reduces the overall riskiness of certain areas of life but, at the same time, it introduces new risk parameters which are largely or completely unknown to previous eras. Living in the risk society means, according to Giddens, living with a calculative attitude to the open possibilities of action, both positive and negative, with which we are confronted in a continuous way on our contemporary social existence. Risks not only arise from outward factors like wars, and environmental hazards, but also from within the self; the threat of personal meaninglessness with a higher emphasis on self-identity, self-actualisation, individualism, and personal responsibility. The self-radicalisation of second modernity has set the individual free from most previously all-encompassing social categories, such as family, kinship, gender, and class. The changed attitude in individuals due to individualisation revolves around, among others, changed concepts of relationships and identity. Bauman says individualisation consists of “transforming human ‘identity’ from a ‘given’ into a ‘task’ – and charging the actors with the responsibility for performing that task and for the consequences of their actions.” In this new individualised society, human beings are no longer “born into” their identities, but they need to become what they are. Due to the democratisation of individualisation processes in some Western countries, and because basic conditions such as the job market, social legislation, pension provisions etc, started to favour or enforce individualisation, by the second half of the twentieth century, the demand to “lead a life of their own,” was no longer only expected of a few, but demanded of more and more people, and in the limiting case, of all. This categorical shift between individual and society during the second modernity will,

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66 Calhoun 2010:607
68 Giddens 1991:3-4
69 Giddens 1991:28
70 Mills 2007:65-67
71 Bauman 1999:xiv
72 Bauman 1999:xiv
73 Beck and Beck-Gernsheim 2002:8
according to Beck, lead to individualisation. In second modernity the individual is becoming the basic unit of social reproduction for the first time in history, and individualisation is becoming “the social structure of second modern society itself.”

According to individualisation theory, the individualisation process should follow three to four basic features depending on the scholar’s view: (1) detraditionalisation, (2) institutionalised dis-embedding and re-embedding of the individual, (3) compulsory pursuit of a “life of one’s own” and the lack of genuine individuality, (4) the biographical internalisation of risks. These concepts will now be explained in further detail, as they are of utmost importance for the understanding of individualisation. (1) Detraditionalisation: In an individualisation process, individuals are being dis-embedded from external social constraints. These constraints include both cultural traditions in general, and some all-encompassing categories, such as family, kinship, community and social class. As a result, society becomes further differentiated and diversified. Previously, kinship relations defined the key decisions affecting the course of events for the individual. Now, with the removal of earlier ties, the individual to a larger degree lacks external referents, and the lifespan emerges as a trajectory related to the individual’s own projects and plans. This, however, does not mean that tradition and social groups no longer play a role. They may still be important if they serve as resources for the individual. This is what Giddens calls “detraditionalisation,” and what Beck refers to as “dis-embedding.” Yan, who has looked into individualisation processes in Chinese society, says that due to this first feature, individuals no longer believe that they should work to preserve tradition. Instead they use selected traditions to work for their own lives. (2) Institutionalised dis-embedding and re-embedding: The second feature is a paradoxical phenomenon referred to by Bauman as “compulsive and obligatory self-determination.” After the dis-embedding, the option to seek the protection of tradition, family or community is removed, and the individual needs to be re-embedded into new modern social institutions such as the education system, labour market and state regulations.

Modern social structures impose new demands, controls and constraints on the individual.

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75 Beck and Beck-Gernsheim 2002:xxii  
76 Beck and Grande 2010:420; Yan 2010a: Calhoun 2010  
77 Giddens 1991:147  
78 Yan 2010b:4  
79 Yan 2009:274; see also Beck and Beck-Gernsheim 2002:2  
80 Yan 2009:275  
81 Bauman 2000:32 in Yan 2010b:4  
82 Yan 2010b:4
They are compelled to become proactive and self-determining and must take full responsibility for their own problems and develop a reflexive self.\(^{(3)}\) Compulsory pursuit of a “life of one’s own” and the lack of genuine individuality: The third feature is characterised as “life of one’s own through conformity.”\(^{(3)}\) This means that the promotion of choice, freedom and individuality does not necessarily make every individual unique. On the contrary, the new dependence on social institutions after the re-embedding, determines that contemporary individuals cannot float free in the search for a construction of a unique self. Contemporary individuals must construct their own biographies through guidelines and regulations, and thus end up with a life of individual conformity. \(^{(4)}\) The biographical internalisation of risks: this last feature appears due to the precarious freedoms and uncertainties that the individual is facing in the new individualised risk society.\(^{(85)}\)

Not every country, however, follows this path through second modernity to individualisation. It is contested as to whether or not China and other countries alike have entered an era of individualisation as many of the traditional prerequisites for individualisation are missing. Matthew Kohrman argues that China has entered the risk society since, its individuals are increasingly aware of, and attach importance to, different aspects of risk; such as fear of food poisoning, counterfeit drugs, tainted blood supplies, and fake goods.\(^{(86)}\) The individualisation of the Chinese society would necessarily follow a different pattern an ongoing process characterised by the management of the party-state, with the absence of cultural democracy, a welfare state and classic individualism. Beck and Beck-Gernsheim’s notion of a second modernity refers to a new era of post-democracy and a post-welfare state.\(^{(87)}\) In China however, individuals are still working to achieve goals that belong to the first modernity in Western Europe, such as comfortable material lives, secure employment, welfare benefits, freedom to travel, speak and engage in public activities. Therefore, is it right to use individualisation theories to explain the processes currently happening in China?

\(^{(83)}\) Yan 2010b:4; Beck and Beck-Gernsheim 2002:2  
\(^{(84)}\) Beck and Beck-Gernsheim 2003:151 in Yan 2010b:4  
\(^{(85)}\) Yan 2010b:4  
\(^{(86)}\) Kohrman 2008:137  
\(^{(87)}\) Beck and Beck-Gernsheim 2002 in Yan 2009:290
3.3 Individualisation in China

China has undergone an unprecedented social transformation over the last three decades. Propelled by economic development, there has been a shift from agriculture to manufacturing, with urbanisation following, and a change in the economic system from a socialist planned economy to a “capitalist” market economy. Whether or not China has experienced an individualisation process, and is becoming an individualised society where the individual is increasingly important contra the collective, has been debated. What is certain is that the changes following the economic reforms since 1978 have lead to a diversified society of choice. Individual Chinese are increasingly forced to make choices concerning their own future. Opportunities for education and career have advanced, as have consumption choices. Yan believes that the rise of the individual and the individualisation of Chinese society should be viewed as a reflexive part of China’s state-sponsored quest for modernity, and its consequential institutional changes.

Some authors see China as falling into an East Asian pattern of “compressed modernity.” This is rapid economic, political, social and/or cultural changes happening in an extreme condensed manner in respect to both time and space, which leads to a highly complex and fluid social system. But what makes China’s transformation even more remarkable is that it is taking place under the leadership of the Chinese Communist Party. This combination of a market society and communist politics, challenges long-held assumptions regarding modernisation. Traditional individualisation theories, it is argued, may therefore not be adequate in explaining the Chinese case. I will look into this towards the end of this chapter. But first, a record of China’s recent history.

3.4 China- From Class to Individual

Traditionally, Chinese culture places group interest over individual interest. The individual belongs to and remains secondary to the group or collective. At least at the level of ideology, the group does not exist to support the individual. Rather, the individual exists to continue the group. Therefore, the individual was born into, grew up with and remained living under the

88 Alpermann 2011:7
89 Yan 2010a:489
90 Alpermann 2011:7
91 Chang and Song 2010
92 Alpermann 2011:7
ancestors’ or party-state’s shadow. This does not mean that there were no ideas of the individual and the self as autonomous entities in traditional China. Rune Svarverud argues that it has been found at the very centre of traditional Chinese social relations, and that these relations are not to be interpreted as simple relations between individual and group. In practice the Chinese individual has always, in both traditional and modern times, been active in exercising agency and taking actions against the hegemony of the collective. Fei Xiaotong describes in his book about Chinese rural village life how individuals are mainly egocentric, thinking of their own and their close networks needs, but not much of those outside. These networks are centred around oneself. He states that “social relationships in China possess a self-centred quality,” and that “the self is always in the center.” Confucian ethics also recognise the agency of the individual under some circumstances. It would be incorrect therefore, to overlook or deny what the individual can do, or indeed did, to social groups or the state before the social transformation of individualisation.

The Communist revolution in 1949 forced many changes on Chinese society. Individuals were first mobilised to break away from tradition, from the previous all-encompassing social categories of the extended family, kinship organisation, and local community. Yan has argued that this could be the first phase of individualisation in China, with the enforced dis-embedding from traditional values, and re-embedding within the Communist system of rural collectives and urban work units. The hukou system instituted in the late 1950s effectively divided the Chinese population into rural and urban residents with different benefits, and also controlled urban-to-rural population flows. The traditional labour market was replaced by rural collectives and urban work units, and individuals were assigned to work for a given collective or work unit. Urban work units provided cradle-to-tomb benefits, where practically all the important resources and opportunities were covered, from health coverage to housing. This led to what Andrew Walder calls “organized dependency,” whereby Chinese individuals were socio-economically dependent on their work unit or collective, politically

93 Yan 2009:278
94 Svarverud 2010:198
95 Yan 2009:279
96 Fei et al.1992:60-63
97 Fei et al.1992:65
98 Fei et al.1992:68
99 Yan 2009:279; Fei et al.1992:67
100 Yan 2009:279
101 Yan 2010a:491-492
102 Alpermann 2011:17
103 Yan 2010a:491-492
dependent on state-sponsored management, and personally dependent on the Communist cadres. Yan argues that this actually forced the individual to dis-embed from its family, and in this way promoted individualisation. “Identity” under Mao signified social position and the assignment of power and resources, and did not encourage the consideration of individual characteristics. Public expression of individual desires was restricted, and consumption regarded negatively. As a result, during the Mao-era people wore the same uniforms and had the same haircuts. Class, which was determined by the party-state, became the most important category of social categorisation.

After Deng Xiaoping assumed power in 1978 he set in motion reforms of the economic system that fundamentally altered all aspects of China’s socio-economic composition. Hereditary class labels were lifted and class struggle shelved, all in order to free up the necessary forces to push the reform program of the “four modernisations.” This led to China’s second phase of individualisation, with the dis-embedding from institutions of state socialism and re-embedding into the stratificational order of an emerging market society. People’s communes were being dismantled and replaced by private family farming. Peasants were allowed to leave the countryside and entered Chinas bigger cities as low-paid workers or peddlers. With the dis-embedding of previous social categories, individuals had to learn to resort to other types of networks; kinship, friendship and other personal ties were once again seen as important. But regardless, these networks have, to a higher extent, to be achieved through individual efforts instead of through pre-existing arrangements of the collective. With the dis-embedding of many all-encompassing structures, room was made for individual choice and identity. Chinese born in the 1970s or later, grew up during the reform era, and have been called the “me-generation” (我一代) because of their proud usage of the first person, a usage traditionally uncommon in China. Yan also notes on the changed family relations, how the family has become more privatised, and evolving around the husband-wife union, and not necessarily around the extended family. Chinese individuals have become

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104 Walder 1986 in Yan 2010:491-492  
105 Yan 2010a  
106 Delman and Yin 2010:98  
107 Alpermann 2011:13; Yan 2010a:491-492  
108 The Four Modernizations: modernization of industry, agriculture, science/technology, and defense. See Alpermann 2011:14  
109 Alpermann 2011:14-15  
110 Yan 2010a:497  
111 Yan 2009:280-281
more self-reliant and aware of their individual rights, and demand personal space and privacy.\footnote{Yan 2003}

China has seen a twofold social transformation since the end of the Mao era; the rise of the individual in social practices, and the individualisation of the society through structural changes of social relations.\footnote{Yan 2009:xv} Chinese individuals have been influenced by Western values, lifestyle and globalisation, all of which were either sponsored by the party-state or related to the changing state policies.\footnote{Yan 2009:xxvii} Most individuals have obtained more rights, choices and freedoms in their personal lives.\footnote{Yan 2009:xxvii; Hansen and Thøgersen 2008:48-49} For today’s Chinese, personal happiness and individual realisation has become the ultimate goal in life, indicating that Chinese society has undergone an ethical shift from collective- to individual-oriented values.\footnote{Yan 2010b:2} The most obvious change since the reform-era is the increasing abundance of choice for the individual. Post-Mao economic reforms enabled, and forced individuals to pursue alternative employment and career development paths in the private sector. People were allowed to make money, and a Chinese version of the “American dream” began to win over the hearts of many individuals.\footnote{Yan 2010a:502} Through the opening to the outside world, and the taste of another lifestyle, Chinese individuals started to attach top priority to seeking their own personal happiness, rather than to building socialism.\footnote{Yan 2010a:503} Growing commercialisation has created the opportunity for independent social interaction. New commercialised leisure spaces, where the individual is an active agent and able to enact new identities without state surveillance, have arrived; places such as nightclubs, cinemas and health clubs.\footnote{Elfick 2011:200}

3.5 The Uncivil Individual

The concept of “individualism” (个人主义) has been part of Chinese culture for years, but as a negative factor. Individualism was first re-introduced in China towards the end of the twentieth century and is, to a large degree, still understood as utilitarian individualism or selfishness. Yan believes that this understanding of individualism actually makes the
individual more egotistic and uncivil at the same time as it amplifies the negative aspects of individualisation, such as the relentless individual competition and the decline of social trust. In the eyes of the Chinese youth over the last few generations, individualism has become synonymous with selfish, hedonistic, irresponsible, and antisocial behaviour. This understanding of individualism has caused the creation of the notion of the “uncivil individual.” Yan claims that the rising individual has shown a tendency to emphasise rights while overlooking obligations and other individuals’ rights, running the risk of becoming an “uncivil individual.” Consequently, the rising individual is primarily confined to the sphere of private life, and egotism prevails when uncivil individuals interact with one another. A closer look at the introduction and spreading of individualism from the West to China reveals that individualism in China has been understood as a form of egotism, involving selfish, anti-social and utilitarian interests, without any consideration of other individuals’ rights and interests. This type of egotistical vision was condemned by the party-state during Mao, but has since gained popularity through the mass media and the ideology of consumerism.

Elements like liberty, equality, freedom and self-reliance, all important in Western individualism, have not been an integral part of Chinese traditional ideology. The ideas of individual rights and responsibility, autonomy and human equality were heavily debated during the late nineteenth and early twentieth century. However, from the early 1920s, liberal ideas of the freedom and autonomy of the individual were largely replaced by a leftist discourse that argued against currents of individualism.

Yan’s surveys in rural China reveal that today’s village youth now regard selfishness as a necessity for success, they justify their behaviour in terms of having individuality (个性), being modern (现代的), and of possessing independence and freedom (独立和自由). The village youths’ understanding of individualism as selfishness is an interesting contrast to the Western philosophy of individualism, where the balance between right and duties is a core value. During my own fieldwork, informants generally agreed that it was important to have their own identity (个性), and that in deciding situations the most important factor was the self. They might listen to others advice, but the final decision is completely their own. When

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120 Yan 2009:289
121 Yan Forthcoming:10
122 Yan 2010b:2
123 Yan 2009:xxxiii
124 For further reading: Liu 1995; Svarverud 2010
125 Svarverud 2010:194-96; Yan 2010a:494
126 Yan 2009:168
asked what individuality is (什么叫个性?), several informants answered: “to have your own opinions” (要有自己的想法) and to be “different, avoid being like everyone else.” (独特一点, 要避免跟人一样). Almost all answered “important” (重要) to the question of whether it is important to have their own personality, or individuality. One informant believed, in accordance with the above mentioned view, that individualism (个人主义) had two aspects, one positive and one negative, the positive was that there was freedom (自由), the negative side is selfishness (自私). At the same time there is still focus on not being seen as egoistic. Friends will attach importance into helping each other and maintaining good relations. Clearly there are more aspects to the idea of the “uncivil individual.”

When asked if she thought China had seen changes the last years, a 35-year-old lady answered, “It has changed a lot. People today have relatively many opinions and are more individualistic, they will not do anything just because someone asked them to.” (变得很多，现代的人想法会比较多，会个性一点，不会比人说怎么样，你就怎么样). According to my informants, there is a growing consensus among ordinary Chinese today of a high degree of individuality. People attach importance to being different, to having their own personality and opinions. Although Chinese individuals may agree that there is a high degree of individualism, and many scholars acknowledge that the Chinese society might have experienced some of the four features of individualisation, the question remains, is it right to use the Western based individualisation theory in a Chinese context?

### 3.6 Is China Following the Western Path to Individualisation?

The individualisation theory has received some contra-arguments. It has been argued that the individualisation theories have been developed based on Western European market economies’ experiences, and that it should not be applied to non-European, non-Western contexts. They say that the theory of individualisation and second modernity, like any other theory of society, cannot simply be “applied” in different contexts in different parts of the world. The concepts have to be deconstructed and redefined for different social and historical situations. Ulrich Beck and Edgar Grande argue that other forms of modernity may be

127 Alpermann 2011:11; Calhoun 2010
128 Beck and Grande 2010:420
found outside Europe, and that these do not merely display structural variations of European modernity, but constitute independent, autonomous types of society. The expectation of convergence – of a homogeneous and universal model of (Western) modernity that will sooner or later be followed everywhere, is the exact opposite of their theory of cosmopolitan modernities. The European model of individualisation relies on factors like democracy and a welfare state. This is not valid for Chinese individualisation, as there is neither a culturally embedded democracy, nor a welfare state in China. Besides, individualisation in China has not been institutionally anchored in a system of basic rights (family law, labour law, etc.) like it has been in Europe. An interesting perspective brought about by Beck and Grande is that, in both the European and Chinese contexts, the government play an important role, although in complete different ways. In Europe, the individual became self-reliant and important within an institutionally secured framework, based on the civil, political and social basic rights which Europe won through political struggles during its first modernity. This however, has not been the case in China, where these goals are still the objects of a struggle whose outcome remains undecided.

Individualisation in Western Europe and China manifest itself somewhat differently. In Europe it started in an affluent society under political democracy, where individual rights and freedom were legally protected, and material needs no longer were the primary goal of social progress. In contrast, individualisation in China started in an economy of shortage, widespread poverty, and a totalitarian political regime where individual rights and freedoms were suppressed for the sake of national survival and satisfaction of material needs. In Europe, justice and law speak the language of individualisation, but in China a practice of tolerated, even enforced individualisation is taking place, coupled with an official ideological stigmatisation of that same individualisation. The party-state is trying to set limits to the process of individualisation by placing a tight network of controls around the individual, and rights are being granted as privileges, rather than basic rights. Yan argues that there has yet to emerge in China the kind of life-politics or self-politics that defines the individualisation trend in European societies. This is because the dominant goal of everyday life for the majority of Chinese individuals is still to improve life chances instead of self-realisation.

129 Beck and Grande 2010:413-414
130 Beck and Grande 2010:421; Yan 2010b:4
131 Beck and Grande 2010:421
132 Yan 2010a:507
133 Yan 2010a:507
134 Beck and Grande 2010:421
through choice of lifestyles. In other words, the rising individual in China acts within the parameters set by both the state and the market.\textsuperscript{135}

Some similarities however, do exist. The individualisation processes of both China and Western Europe has been impacted and further developed by globalisation, the global triumph of neoliberalism and the capitalist mode of production. Both had to reduce the dependence of individuals on state-sponsored institutions, and the individual strived to or was compelled to create a life of his own. Yan believes that the three basic features of individualisation manifest themselves in China and Western Europe alike,\textsuperscript{136} however, not all scholars agree. Björn Alpermann argues, in his article about individualisation in the Chinese society, that China does not fit into Beck’s individualisation theories on all accounts, but that the individualisation theory still may be successfully employed to make sense of China’s process of modernisation. It could provide a starting point for an analysis of China’s current social development, an analysis that goes beyond the so called “simple” modernisation theories that still dominate in China studies.\textsuperscript{137} Yan believes there are two reasons why Beck’s hypotheses may be used as analytical tools to shed light on Chinese social development. First, he believes that there is a good number of studies on individualisation in China that demonstrate that the concept can be fruitfully employed in this context.\textsuperscript{138} Second, Beck’s framework of “varieties of second modernity” opens up a plane for comparisons between different kinds of modernisation processes globally, also allowing for “varieties of individualisation.”\textsuperscript{139}

3.7 Conclusion: Individualisation in Practice

The individualisation of a society involves the removal of former social institutions and traditions, and the adoption of a new type of social commitment. Through the loss of former security nets, new social structures and institutions arise. The result of an individualisation process is not, as many believe, that individuals become more diverse through their gained personal freedom. On the contrary, individualisation leads to the third step in Becks individualisation theory, that is, individuals actually conform more.\textsuperscript{140} The individualisation thesis does not reject the continuing power of gender and class. Nor, does it claim that people

\textsuperscript{135} Yan 2010b:14
\textsuperscript{136} Yan 2010a:507
\textsuperscript{137} Alpermann 2011:7
\textsuperscript{138} Alpermann 2011:12
\textsuperscript{139} Beck and Beck-Gernsheim 2010:201-2 in Alpermann 2011:12
\textsuperscript{140} Yan 2010b:4
become free to re-create the world in increasingly diverse forms. Individualisation, rather than being a precise definition of a certain type of society or stage of development, is presented as a “designating trend” that calls for investigation into how it manifests itself in certain groups, milieus, or regions, and how people respond to it.\textsuperscript{141} The individual self-identity in modern society is shaped by the institutions, and is not a passive entity only determined by external influences. Giddens states that individuals in modern society contribute to, and directly promote, social influences that are global in their consequences and implications.\textsuperscript{142}

Opportunities, dangers and biographical uncertainties, earlier predefined within the family association, the village community, or other social categories, must in the individualised society be perceived, interpreted, decided and processed by the individuals themselves. The responsibility has shifted onto the individual alone.\textsuperscript{143} The human being ultimately becomes a choice among possibilities; life, death, gender, corporeality, identity, religion, marriage, parenthood, social ties – are all becoming decidable down to the small print. Everything must now be decided by the individual.\textsuperscript{144} Individualisation refers to the structural transformation of the social institutions, and the change in relationship between the individual and society.\textsuperscript{145}

Through the last century of change, the Chinese individual has been transformed. Today’s Chinese are characterised as self-driven, calculating, and determined individuals, who wish for a better life in accordance with individual plans, seeking to live “a life of one’s own.”\textsuperscript{146}

This is something that my fieldwork also confirmed. The majority of people answered that they were not influenced by other people in their consumption choices, and 46 % of my informants would, during our conversation, state something similar to, “I would buy whatever I like (自己喜欢就买).” Beck and Beck-Gernsheim say that the individual today has become a basic social unit for the first time in Chinese history.\textsuperscript{147} Chinese individuals know that they can now do almost anything that they want to in their private lives, but that they have to remain within the political and economic boundaries set down by the party-state.\textsuperscript{148} Their public life, work, economy and so on are also controlled and influenced by governmental

\textsuperscript{141} Hansen and Pang 2010:59-60
\textsuperscript{142} Giddens 1991:2
\textsuperscript{143} Beck and Beck-Gernsheim 2002:4
\textsuperscript{144} Beck and Beck-Gernsheim 2002:5
\textsuperscript{145} Mills 2007:65
\textsuperscript{146} Yan 2011:10-11
\textsuperscript{147} Beck and Beck-Gernsheim 2010:xiii; Svarverud 2010:193
\textsuperscript{148} Yan 2009:xxxi
policies, and various efforts are made in order to prevent for example an individualistic claim of political rights.¹⁴⁹

Chinese individualisation clearly bears its own characteristics, with its party-state’s important role as the one who grants rights, in contrast to a liberal democratic understanding of citizens as possessing rights that the state has to acknowledge and protect.¹⁵⁰ It is still arguable whether or not individualisation theories are valid in a Chinese context, but most scholars in the field of individualisation agree that individualisation theories may be fruitfully used to ask new questions.¹⁵¹ Beck and Beck-Gernsheim believe that individualisation is possible, and even welcomed and enforced, in China today. It is supposed to ensure the dream rates of economic growth, but the individualisation has to remain within clear limits, and is only confined to the sphere of some economic activities and private lifestyles.¹⁵² The Chinese people seem to have entered a process of “managed individualisation,” where they have accepted the constraints imposed by the Party and internalised the proscribed direction for the development of the individual under state socialism.¹⁵³

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¹⁴⁹ Yan 2009:290
¹⁵⁰ Alpermann 2011:20
¹⁵¹ For example: Alpermann 2011:20; Beck and Beck-Gernsheim 2002; Yan 2009
¹⁵² Beck and Beck-Gernsheim 2010:xix
¹⁵³ Yan 2009:xxxi
4 The dream of Middle Class living

“One may be able to see the emergence of social stratification based on people’s incomes, but it is still very difficult to speak of any zhongchan jieceng because there has not emerged a distinct class culture shared by those who have accumulated material wealth. Class-making after Mao is still in its very early, amorphous stage; this is going to be a very long and confusing process.”

Real estate developer in Kunming, Li Zhang (2010)\textsuperscript{154}

This chapter will look into the difficulties in defining a Chinese middle class. Common scholarly, governmental and public beliefs are all important and will be discussed, and compared with my own fieldwork experience. It is important to explain the different views and the related academic debate, as the rest of the thesis rests on the existence and definition of a Chinese middle class. I will argue that aspirations for middle class living, in effect, are confirming class identity and further enhance the stratification of the Chinese society.

China’s rapid and stable economic growth over the last three decades has provided a foundation for social mobility and the emergence of new social identities.\textsuperscript{155} The previous fixed communistic status hierarchy has been transformed into a class system based on economical capacity rather than political purity.\textsuperscript{156} Media have long since recognised the emergence of an urban, consumption-oriented middle class in China. A middle class that consists of individuals with higher income, education and occupational prestige,\textsuperscript{157} and whose spending power is claimed to create a potential dream market for foreign investors.\textsuperscript{158} Simultaneously, the party-state has also acknowledged the importance of an expanding consuming middle-income stratum which, in development theory, is known to secure further economic growth.\textsuperscript{159} Scholars disagree about both numbers and characteristics of the present Chinese middle class. The Chinese public also have their own separate notion of what this social group entails. My informants seemed sure about the presence of a middle class (中产阶级), and in their definition of it. However, the Chinese middle class remains difficult

\textsuperscript{154} Zhang 2010:7
\textsuperscript{155} Li 2010:136; Elfick 2011
\textsuperscript{156} Davis 2000a; Hsu 2007:97; Yan 2009:208
\textsuperscript{157} Li 2010:135
\textsuperscript{158} Knight 2011; Rapoza 2011
\textsuperscript{159} Easterly 2001; Kharas 2010; Chun et al. 2011
to define. Many Chinese individuals have their subjective notion of the “good life,” and their notion of what it takes for them to reach their own dream of a comfortable life. But this notion of the “good life” may or may not be tied to middle class belonging. Still, upward aspiration is a key-word in the Chinese society today. The emergence of the notion that one can change ones fate through intelligence and hard work, “the Chinese dream,” has developed together with the economic and social changes over the last 30 years. These dreams are brought to life through consumption, and play an important role in the shaping of a social class mentality.

### 4.1 Different Definitions of the Chinese Middle Class

According to Max Weber, Pierre Bourdieu and Norbert Elias, the concept of “social class” is mainly an imaginary phenomenon, linking objective conditions and subjective perceptions. Individuals who want to belong to a social group have to respect its framework by respecting its signs of distinction. As Alejandro Portes argues, "classes are defined by their relationships to each other and not simply by a set of 'gradational' positions along some hierarchy." Social class is therefore a relative concept, shaped by society through conceptions and aspirations in correlation between the different classes. Status rankings are manifestations of class, rather than a defining feature thereof.

The middle class of the Western societies emerged out of the bourgeoisie in the late fourteenth century. It consisted of a group in strong favour of a capitalist market economy and trade between nations, with strong emphasis on education, hard work and thrift. In China, under Mao’s leadership, there was an attempt to erase social distinctions during the class-struggle. At that time, individuals were effectively segregated into new and different social categories as workers, farmers, and intellectuals. There were no official discourses of middle class identity. The Chinese academic community did not begin the discussion of the existence of a Chinese middle class before the mid-1980s, and few scholars actually

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160 See for example Atsmon et al.2012:12
161 Yan 2009:xvii
162 Yan 2009:233
163 Rocca 2008:128
164 Portes 2000 in Bian et al.2005:1447
165 Portes 2000 in Bian et al.2005:1447
166 Kharas 2010:7
167 See: Bian et al.2005; Davis and Sensenbrenner 2000:78; Tian 2011:10
considered it as existing until the beginning of this century.\textsuperscript{168} The re-emergence of a middle class in the reform era is believed to be fundamentally linked to the market reforms and economic liberalisation, which sat the condition for growth of private businesses and the accumulation of private wealth.\textsuperscript{169} The cumulative effects of the socio-economic development,\textsuperscript{170} like urbanisation and the expansion of higher education and growth in white-collar jobs, has also stimulated the rise of a middle class in China.\textsuperscript{171} It should be noted however, that many members of this “new” middle class were descendants of a pre-reform managerial class with privileged access to state assets, and are in this sense not a direct product of the market reform.\textsuperscript{172} The social stratification during Mao’s rule caused differentiated access to goods and services. Therefore, towards the end of the Mao-era, cadres high up in the political system and their families had an advantage and more capital when they entered the reform era.\textsuperscript{173}

During the 1980s, the middle class in China mainly denoted private entrepreneurs. This was a newly emerging social group suspected to bring about political change. Scepticism therefore prevailed in the Chinese government’s notion towards the idea of a middle class, as it was seen as a threat toward the political system.\textsuperscript{174} In the late 1990s a few influential Chinese sociologists started to argue that a large middle class was one of the general characteristics of modern societies, and could be a stabling force for the society. Since then, these sociological arguments have become more prevalent and seem to have convinced Chinese policy-makers that a rising middle class could be a positive element in maintaining political stability.\textsuperscript{175} Jacqueline Elfick argues that the emergence of the new middle class is not merely a result of economic development, but largely a party-state supported evolvement. She argues that in order to avoid social unrest, the party-state has, since the 1990s, done its best to create a grateful and satisfied middle class.\textsuperscript{176} In November 2002 Jiang Zemin, then secretary general of the Chinese communist party, even stated that, “expanding the middle-income group was one of the policy targets of the government.”\textsuperscript{177} These types of policies have prevailed in the
twenty-first century, and the latest five-year-plan of 2011 continues to stress the importance of increased domestic demand,\(^\text{178}\) a task where a consuming middle class play an important role.

There are several problems when it comes to defining a Chinese middle class; the lack of consistency between common peoples’ conceptions and official definitions, as well as the difference in linguistic definition between the terms “中产阶级” (middle class) and “中产阶层” (middle-income strata). The new middle class are referred to as the “new middle propertied strata” (新中产阶层). The Chinese Communist Party have disliked the term “middle class” (阶级), and due to its negative political connotations. The term “class” (阶级) has largely been avoided since the end of the Maoist regime and it was almost banned during the 1990s.\(^\text{179}\) Replacing “class” (阶级) with “strata” (阶层) has been a political act, a conscious effort to disengage from the Maoist form of politics.\(^\text{180}\) Therefore, “strata” (阶层) has been adopted to refer to socio-economic differentiation in China today.

The criteria for a definition of the Chinese middle class have been much debated, and different criteria have caused greatly differing numbers.\(^\text{181}\) The ordinary Chinese notion of middle class is believed by Li Chunling and others mostly to describe the upper class or upper-middle class in Chinese society.\(^\text{182}\) According to Wang Yihong and Shen Hui, as well as my own informants, the middle class are defined by the public as individuals with money, leisure time, little worries, exquisite food and clothes, persuaders of fashion, generous and unconscious of price. They will never purchase lower graded goods and never bargain. They are the definition of style and fashion, and are in possession of houses and cars (有房有车).\(^\text{183}\) According to the general belief, middle class consumers are the customers of high-end stores and purchasers of famous branded-goods (名牌).\(^\text{184}\) However, the belief that middle class members have high incomes and expensive consumption habits is not entirely consistent with the scientific and governmental image of a middle class. According to the public’s criteria for middle class belonging, the size of China’s middle class would be very small, and account for

\(^{178}\) Anonym 2011:6; Williamson and Raman 2011
\(^{179}\) Zhang 2010:6; Li 2010:141; Elfick 2011:189
\(^{180}\) Zhang 2010:6
\(^{181}\) for example Zhou 2008a; Elfick 2011; Li 2010:140
\(^{182}\) Li 2010
\(^{184}\) Wang Jianping 2005:62
less than 8% of the total population. It would denote the upper class rather than the middle class.

Scholars commonly use the following four criteria to define the Chinese middle class: income, occupation, education, and consumption. Some scholars also add subjective cognition to the criteria. A member of the middle class is officially expected to have a high and stable income, a professional or managerial job, have received higher education and enjoy a relatively high standard of living with good access to quality healthcare. The most accurate picture of the middle class is projected when these four criteria are combined, but definitions based on income alone have also been common. In 2005, China National Bureau of Statistics released a survey result which stated that the urban middle class should have an annual income of between 60,000 and 500,000RMB (that is a monthly income of 5,000RMB and 41,000RMB). This is the first time that the middle class was officially defined with a number in China. From these numbers the government estimated that approximately 49% of households in urban areas had an income of at least 82,500RMB per year, and therefore belonged to the middle class. If rural areas were to be included, the number would be 247 million people or, 19% of the total population. But this is a highly debated number, one that is believed to be too high. Elfick comments that, “the state is keen to promote the idea that many of its citizens have attained a high standard of living, as this confers political legitimacy.” A problem with using income as measurement alone is the regional differences. Those with an annual income of 60,000RMB might be middle class in Xinjiang, but in Beijing or Shanghai 60,000RMB is a basic annual income. An income-based definition will also cause the new rich (暴发户) and individuals from families with a long history of wealth to belong to the same class. Due to strong prejudice and opinions about the new rich’s presumably lower “quality” (素质), some individuals may strongly oppose such a definition. They are, among other things, described as - uneducated, noisy, crude, unaware

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185 Li 2010:141-142
186 Li 2010:139-140
187 See: Wang 2008:192
188 Li 2010:139-43; Kharas 2010:7; Zhang 2010:8; Elfick 2011:198
189 Chen 2010
190 Elfick 2011:198
191 Elfick 2011:197
192 Chen 2010; Li 2010:142
193 素质 could be interpreted as human quality or a person’s innate quality
of social etiquette, provincial and unable to speak English.\textsuperscript{194} But the fact is that they do possess a similar consumption power and are thus able to purchase the same items.

Surveys have also been conducted on the basis of individual’s subjective conception of belonging. A report published by the Chinese Academy of Social Sciences proved the different notions of middle class identity among individuals, as it states that 40\% of the population believe they belong to this stratum.\textsuperscript{195} After the publication of this figure, local media quickly picked up on it and started to debate its contents. An article in \textit{People’s Daily} in 2006 states, according to Elfick, that this figure is unrealistic, and that a large percentage of the population have no idea what being middle class entails economically. The article provides the following statistics: “21.2\% think a person should have at least 500,000 CNY in order to be considered middle class, and 19.3\% think that one should have at least 1 million CNY”.\textsuperscript{196} The Chinese middle class has reached a vague consciousness about their own existence and characteristics, as has the general public.\textsuperscript{197} These two notions mix together and the percentage of the population belonging to the middle class varies from 4\%-50\% according to definition.\textsuperscript{198} If the term “social stratum” (阶层) is used instead of ”class” (阶级) when interviewing, about 60\%-70\% of the total population would respond affirmative to middle class membership.\textsuperscript{199} Middle class (阶级) and middle stratum (阶层) are, as mentioned, two different concepts for the Chinese people. They believe members of the middle stratum are regular people with medium income, while middle class members have higher levels of income and consumption.\textsuperscript{200}

China’s middle class today consists of a fragmented group of people and, because of the difficulty in defining it, some Chinese scholars consider it more of a cultural construct that serves as an aspiration for society than an actual class.\textsuperscript{201} As Zhang points out, the middle class of today are marked by three distinct characteristics: “their moment of emergence, their highly heterogeneous composition, and their heightened sense of insecurity.”\textsuperscript{202}

\textsuperscript{194} Elfick 2011:203
\textsuperscript{195} Elfick 2011:198
\textsuperscript{196} Elfick 2011:198
\textsuperscript{197} Shen 2005:29
\textsuperscript{198} Li 2010:143
\textsuperscript{199} Footnote 16 Li 2010:149
\textsuperscript{200} Li 2010:149
\textsuperscript{201} Zhang 2010:8
\textsuperscript{202} Zhang 2010:7
4.2 The middle class of Xiamen - my fieldwork

Through my fieldwork I asked people what they conceived to be middle class (中产阶级), and whether or not they believed themselves to belong to this group. The answers I got varied, but few informants placed themselves into the middle class. As scientists have previously experienced, I consistently used the term “class” (阶级), and not “stratum” (阶层). It was clear that consumption was commonly used in the measuring of middle class membership. Items like cars, houses, eating-options and Starbucks coffee were all valid measurements. Some of my informants believed that individuals able to drink coffee at Starbucks for 34 Yuan a cup belonged to the middle class, and that Starbucks definitely had become a “hang-out” place for young middle-classers. With regards to income, my informants in Xiamen usually agreed on a monthly income of at least 5-8000RMB, but they were clear about the fact that this number was not necessarily valid in every other city. Several of my informants also stated that occupation was an important aspect of the middle class. Like the shop keeper in a luxury store (who earned between 3-6000RMB per month) answered, when asked whether or not she herself belonged to the middle class, she replied “no.” She had the wrong occupation, and her salary was too low. One of Elficks informants also underlines the importance of education for middle class membership. \(^{203}\) None of my own informants mentioned this, but they did mention the difference in quality (素质) between the new rich (暴发户), and the rest of the middle and upper classes. Here “quality” (素质) is often used as a measurement of education and refinement.

Though the question of a definition of a Chinese middle class remains unsolved, I have, based on the above mentioned scholarly research and my own fieldwork material, made a definition of middle class for this thesis. In the rest of the thesis, I refer to middle class in Xiamen as, those who earn between 5-10.000RMB per month. Although an income based definition alone is not ideal, if I were to further limit the middle class my spectre of informants would be very limited. Furthermore, as I mentioned earlier, there have been previously scholarly studies that researched the middle class based only on income. I will label informants earning from 2-5000RMB a month as “aspiring middle class”. This is in accordance with, for instance, McKinsey’s definition of “value” consumers - those with an income of between 3-6.000RMB a month. McKinsey argues that this group is currently not spending much more than what

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\(^{203}\) Elfick 2011:197
they have to in order to cover their basic needs. But they predict that this group is going to expand, together with the further economic development and the rise of wealth among Chinese consumers, and that by 2020 many of these “value” consumers will have moved up in social standing.\textsuperscript{204} The ones with income above 10.000RMB a month will, in this thesis, be referred to as “upper-middle class” or “affluent”. This is also in accordance with McKinsey’s numbers from 2011, where those earning above 20.000RMB a month are considered affluent.\textsuperscript{205}

The Chinese middle class remains difficult to define, but most scholars still agree that there has emerged a new Chinese middle class after the economic reforms.\textsuperscript{206} Zhang argues that in order to understand the emergence of a middle class, “one must take a closer look at everyday processes of class-making and happening in which individuals come to rearticulate their interests and reshape their identity through certain common idioms.”\textsuperscript{207} The importance of these processes will be discussed next.

### 4.3 Aspirations of Middle Class Living

Even though the majority of the Chinese population do not belong to the consuming middle class, the dream created by all sorts of advertisements for real-estate, automobiles, and other luxury goods is important for the aspiring segment of society.\textsuperscript{208} The beautiful pictures of expensive commodities in magazines, newspapers and across billboards, have become symbols of the middle class, and participate in the shaping of social stratification.\textsuperscript{209} Slogans in campaigns stating that “this is middle class living,” and set down concrete requirements for class membership have become common.\textsuperscript{210} A Chinese version of Vogue I purchased while in China in December 2011, was full of advertisements for cars, skin care, make-up, and other luxury goods such as perfume and jewellery. Of the magazine’s 478 pages, 180 of them were commercial advertisements. This number only includes advertisements, and not product placement in other articles or pictures where style and products are presented by Vogue

\begin{itemize}
\item \textsuperscript{204} Atsmon et al.2012:14-15
\item \textsuperscript{205} Atsmon et al.2012:14
\item \textsuperscript{206} See: Elfick 2011; Bian et al.2005; Davis 2000a
\item \textsuperscript{207} Zhang 2010:7
\item \textsuperscript{208} Anagnost 2008:514; Li 2010:140; Zhang 2010:108
\item \textsuperscript{209} Li 2010:140; see also Yan 2003:36
\item \textsuperscript{210} Anagnost 2008:510-511
\end{itemize}
The “good life” is presented in bright colours and by expensive commodities. A double page spread is about “dating with romance,” where the pages are filled with a large picture of a BMW automobile, necklaces, watches, and perfume – everything you “need” for a successful date. The Vogue China magazine can be seen as a book of aspirations. With its price of 20RMB, it is available for purchase to all layers of society. As a result, it may this way serve a function as a creator of dreams; setting the standard for a good and successful life with its stories of successful individuals. Just as David Fraser argues, each real-estate advertisement “constitutes a visual context for domestic life, a chart for the urban imagination.” In this way, he states, they serve a function as “commercialized dreams.”

Ann Anagnost states that home ownership and the newly emerged gated communities substantiate a new system of social distinctions, and give individuals a way of buying themselves middle class status. Real estate developers no longer just manufacture homes, they are partaking in the construction of a social class through their establishment of a distinct set of ideas, values and desires. Through advertising, ideas and images of middle class life are transformed into a primary source of social imagination. Since one identifies oneself through one’s environment, members of a class will tend to actively seek out others from the same strata. As one of my informants in Xiamen stated, “people of the same tastes and habits like to be together” (人以群分). The “quality” (素质) of your neighbours has become important, and segregation of living space is an inevitable result. Inside these middle class communities, residents are under pressure to consume correctly, and often feel compelled to engage in conspicuous consumption in order to prove their legitimate membership. Consumption is an important domain of subject construction and the uncertainties of middle class identification make individuals insecure about where they should locate themselves in the social stratification. However, at the same time, it gives room for aspirations. Marketing takes advantage of this uncertainty and presents commodities as a sign of “middle-classness.” The acquisition of certain commodities therefore becomes a way of redesigning ones social

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211 Vogue China 2011
212 Vogue China 2011:284-285
213 Fraser 2000:28
214 Anagnost 2008:510
216 Tomba 2004:11
217 Zhang 2010:122
36
position.\textsuperscript{218} Class identity is shaped through various consumption choices, clothing style, leisure activities and so on.\textsuperscript{219}

The public image of the middle class is largely created by the public media, and has become the dominant definition among the general public. Through the consumption of luxurious articles, the middle class has become the symbol of material comfort and a happy life, they have become the super-consumers, and the aspiration of the masses.\textsuperscript{220}

## 4.4 Consumption as Means of Social Distinction

Consumption has become important for social distinction and to the construction of class-identity.\textsuperscript{221} Individuals within a group use consumption not only to define themselves, but also to distinguish themselves from other groups, and to reconfirm their class belonging.\textsuperscript{222} Sang-Jin Han writes that members of the Chinese middle class construct their world around consumption. He believes there is no doubt that consumption provides a key to the understanding of the middle class.\textsuperscript{223} As the 22-year-old female student drinking pure black coffee at Starbucks tells me, the middle class are those who’s “income allows them to buy whatever they wish, and enables them to buy famous brands” (收入能够满足自己想买得, 可以买得起名牌). Consumption of branded and expensive goods shows your consumption power and, as Radha Chadha and Paul Husband state, it is a way of buying your way up the social hierarchy.\textsuperscript{224} Another factor that encourages conspicuous consumption of luxury items is that in some upper and middle class communities, it is a social taboo to ask about an individual’s income. Since many transactions take place in the grey economy, conspicuous consumption therefore becomes a viable way of displaying one’s class status.\textsuperscript{225} According to Tian Feng, Chinese people are accustomed to measuring social strata according to food, clothes, living area, and occupation.\textsuperscript{226} The fear of mistakenly being taken for lower class, or for being a person who “worships money”（拜金主义） and blindly (盲目) chases after brands and luxury goods, is a constant problem

\textsuperscript{218} Anagnost 2008:508
\textsuperscript{219} Zhang 2010:122-123
\textsuperscript{220} Li 2010:141; Wang Jianping 2005:62
\textsuperscript{221} Zhang 2010:135-136; Tian 2011:2
\textsuperscript{222} Elfick 2011:189
\textsuperscript{223} Han 2010:267
\textsuperscript{224} Chadha and Husband 2006:3
\textsuperscript{225} Zhang 2010:9
\textsuperscript{226} Tian 2011:6
for the middle class, and especially the lower middle class, who might not be able to afford too much luxury goods. People will, according to my informants, judge other people and their social status from their outward appearance - car, clothes, bag, shoes, phone and so on. If you have a nice car you could get away with wearing a fake bag, as no-one would expect it to be fake. If you take the bus, or ride a bicycle, with the same bag people would deem it a fake since, in the words of one of my informants, “You would not take a Louis Vuitton bag on the bus now, would you? You have to dress in accordance with your status, if you brought a Louis Vuitton bag onto the bus people would not think the bag is valuable.”

Consumption is now of such importance that the ability to consume correctly has become a commodity in itself, and a variety of magazines and articles with decoration and fashion tips have been popularised. In an individualised consumption oriented society individuals are not “free to choose,” but rather “forced to choose” in their pursuit of a desired lifestyle. Robert G. Dunn argues that lifestyle attachments and other non-class demographics are taking over as class identities. Lifestyle is defined as the way of using certain goods, places and times, and each social group bears its own characteristics in this regard. What shapes a lifestyle is not merely consumption, but the kind of ways consumer goods are deployed in everyday settings. Goods are important for the concept of “lifestyle”: By providing resources for the definition of the self they become the vehicle of self-identity, and provide outward indications for the construction of the social and cultural identity. Lifestyle is by Dunn defined as “observable ways that individuals or households spend their money and time.” Purchasing power and choice determine what each individual may choose to use his or her money on, according to this definition every individual has a lifestyle. Dunn further states that, “lifestyle is a badge of membership in a group or subculture that creates new forms of attachment adapted to the system of commodities.” The membership of a lifestyle through consumption is an example of Beck’s idea of individualism without genuine individuality. People are attaching importance to their own individuality, but in accordance to what is expected of their social class, and are therefore in effect becoming more alike, and

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227 Elfick 2011:205; Yan 2009:223
228 Crabb 2010:389
229 Dunn 2008:123
230 Chaney 1996 in Dunn 2008:12
231 Dunn 2008:121
232 Dunn 2008:124
233 Dunn 2008:130
reaffirming social class labels. Eflick argues that individualism has become an important ideal to strive for among her informants in Shenzhen. Several of my informants stated that in China, different things are expected of different classes. If you have money you are supposed to buy branded goods, and drive a nice branded car. If you do not follow these expectations and stereotypes, some people will look down on you. When asked the question whether or not they would buy brand-name goods, a majority of my informants replied, “I will buy according to my economy,” (看自己的能力水平). In other words, they will buy as many brands as they can afford. The “according to economy” is an interesting aspect that shows the expectations of class differentiation in consumption. In everyday life commodities like bags, clothes, iPhones, cars and so on, are common indicators of class. Elfick explains how the middle class professionals in Shenzhen use consumption of alternative designs and aesthetics in order to distinguish themselves from other similar income groups, like the new rich (暴发户).

4.5 Conclusion

Even though both scholars and common Chinese individuals dispute the exact definition of the term “middle class,” there is no doubt that this group exists in China today and is expanding rapidly. The economic reforms have brought with them new economic opportunities, and also an openness and curiosity over social class distinctions. The social categories of pre-reform China are mostly gone, and individuals today are conscious of the forming of new social strata based on income and material possession, rather than on political affiliation. The influx of new commodities after the Reform and Opening policies (改革开放) of 1978, has made consumption of differentiated commodities an important part of class distinction.

This chapter has discussed different notions of the Chinese middle class, its existence and size. The general perception of the middle class in China is quite different from the perception of the middle class in the West. The general perception of China’s middle class is that they are a special group with quite high socio-economic status. This differs from the concept in Western societies, where middle class usually means regular people in the middle of the

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234 Yan 2010b:4
235 Elfick 2011:206
236 Elfick 2011:207
237 Li 2010:135
For this reason, many Chinese individuals are reluctant to put themselves into this group, as they feel that they cannot measure up to the expectations of what a middle class individual should be, and consume. The definition of “middle class” that is valid for this thesis has been stated in this chapter. It is defined as consisting of individuals earning between 5-10.000RMB a month. This number is based on my informants, who know the local situation in Xiamen much better than I do, and is a definition not far from the margins set by governmental and academic research.

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238 Li 2010:141
5 The Chinese Consumer

"In the end of the month I won’t even have 10RMB left, everything will be spent”

23 year old girl, Xiamen 2011

This chapter focuses on the Chinese consumer, their characteristics and spending habits. Throughout this chapter I will examine important market research and scholarly thoughts about consumption patterns and habits, and compare these results to my own fieldwork findings. I will look closer at how the contemporary Chinese consumers shop. Are they easily influenced by others, friends, or shop assistants? Is the Chinese individual today saving as much as traditionally expected?

Through the reform era China has changed into a consumer society. The increasing consumerism in everyday life and mass media has led individuals to believe that money is meant to be spent, and goods to be consumed, and that quality of life is evaluated in terms of consumption satisfaction. The rapid arrival of new commodities, and new retail sites has encouraged individuals to purchase new merchandise, pursue new lifestyles and adopt new identities. Individuals today experience an abundance of consumer choice, and are becoming increasingly independent and individualistic in their consumption. Their consumption patterns and behaviour are changing together with the changes in the market. However, the renewed focus on consumption has also led to increased awareness of the unequal opportunities apparent among Chinese consumers. Differences in income usually show differences in consumption and consumption patterns.

5.1 Consumerism in China

In the early 1990s the party-state suddenly shifted course from its previously anti-consumerism position to being an advocate of mass consumption and consumerism. This was a result of Chinese individuals being granted more consumer rights and consumption

239 Yan 2009:177
240 Yan 2009:176
241 Croll 2006a:29
242 Hansen and Thøgersen 2008:156
choices.\textsuperscript{243} This transition was almost too fast for a government which was still unsure about the ideology of consumerism. On the one side consumption was welcomed, and needed in their plan of economic development, at the same time as they opposed its hedonistic and bourgeois nature, and frugality campaigns were launched.\textsuperscript{244}

As consumers, individuals are increasingly encouraged to shape their own lives through their purchasing power, and to make sense of their existence through choice in a consumer market.\textsuperscript{245} Paul Du Gay states that consumers are seen as autonomous, self-regulating and self-actualising individuals, seeking to maximise themselves through the assembling of a lifestyle of personal choice in the market.\textsuperscript{246} Yan argues that the focus on consumption and consumerism was successfully promoted by the party-state largely in order to draw attention away from the political issues in the aftermath of the 1989 pro-democracy movement, and to stimulate the domestic market and secure social stability.\textsuperscript{247} This is the reason why consumerism encountered little criticism and resistance from official and intellectual circles when it arrived. The party-states involvement in the consumer protection movement has also contributed to political stability.\textsuperscript{248} As a result, by the turn of the twenty-first century, material desires were widely celebrated through public culture and commercials in China, and the instant gratification of materialism dominated the moral landscape.\textsuperscript{249} The consumerist conception of selfhood is focuses on the notion of “self,” and a consumer society is often defined in terms of “self-gratification,””self-growth,””self-realisation,””self-enhancement,””self-fulfillment,” and so on.\textsuperscript{250} This notion of self largely corresponds with the individualistic and individualised notion of the self, present in individualised societies.

There has been a rapid growth in consumerism in China during the reform era, including towns and smaller urban areas.\textsuperscript{251} Through consumerism individuals are encouraged to indulge in the pursuit of personal happiness, and in this way, consumerism dilutes the influence of communist ideology.\textsuperscript{252} Yan argues that throughout the 1990s, consumerism became the new ideology influencing both the everyday lives of ordinary citizens, and official

\textsuperscript{243} Yan 2011:6; Davis 2000a
\textsuperscript{244} Croll 2006a:30; Elfick 2011:198
\textsuperscript{245} Du Gay 1996:77
\textsuperscript{246} Du Gay 1996:77
\textsuperscript{247} Yan 2011:6
\textsuperscript{248} Yan 2009:233
\textsuperscript{249} Yan 2011:6
\textsuperscript{250} Dunn 2008:112
\textsuperscript{251} Lane and St-Maurice 2006
\textsuperscript{252} Yan 2009:230
policy-making.253 With their encouragement of the development of self-images based on consumption and material possession, advertising and marketing have an important function as promoters of consumerism. In some ways, they encourage the feeling that consumption gives shape and meaning to everyday life.254 Yan states that, “consumerism enables some people to redefine their social status in terms of consumption and lifestyle.”255 He further argues that, along with the change to consumerism, the ethics of everyday life shifted from self-sacrifice and hard work for the collectivity and a greater goal, to a self-centred focus on self-realisation and the pursuit of personal happiness in terms of material goods.256 Yan states that in the post-Mao era the market reforms have made the individual the new unit of policy-making, and that the striving for self-interest and happiness has become the “new spirit of the reform era.”257 By the late 1990s, successful individuals often appeared in commercials and mass media as “fashionable, rich, and confident individuals,” and this new model of success and self-serving replaced the former socialist morality, states Yan.258 For the less affluent, the new consumerism offered a new set of life aspirations that motivated them to work harder.259 Giddens argues that the more tradition loses its hold on a society, the more individuals are forced to negotiate lifestyle choices among a diversity of options. He argues that, because of the “openness” of social life today, the pluralisation of contexts of action and the diversity of “authorities,” lifestyle choice is becoming increasingly important in the constitution of self-identity and daily activity.260 Individuals of contemporary China have to shape their own identity through their differentiated consumption choices.

5.2 Characteristics of the Chinese Consumer

Chinese consumers obviously are made up of many different individual types. There are not only differences between personalities, but also huge regional differences in spending habits. There are noticeable differences between rural and urban areas, but also between the bigger cities. Beijingers, for example, have a reputation for spending more than the fashionable Shanghainese. Beijing shoppers are also said to be quicker decision makers than consumers in

253 Yan 2009:208
254 Dunn 2008:180
255 Yan 2000:179
256 Yan 2009:xxxv
257 Yan 2011:9-10
258 Yan 2011:9-10
259 Yan 2009:233
260 Giddens 1991:5
Shanghai, who are claimed to be more pragmatic about money.\textsuperscript{261} Chadha and Husband argue that many luxury brands are setting up stores in Shanghai “more for image,” while in Beijing they are opening stores for “image plus business.”\textsuperscript{262} China is a large country with great regional variation in consumer tastes and preferences. This means that a one-size-fits-all market approach would not be successful.\textsuperscript{263} Although it is difficult to generalise and characterise the Chinese consumer, this section will still try to make some general assumptions about their characteristics. It will largely be based on survey results from McKinsey, who has done a large amount of market research in China over the last decade. Their results will be compared to my own fieldwork findings.

Traditionally Chinese consumers are known to be conservative spenders, who think before they buy. They tend to set up a budget and then evaluate what is worth purchasing before they find the best price for the commodity, and finally make the purchase.\textsuperscript{264} The internet has made product research easier, and it has quickly become an important source of information for large parts of the population. A quarter of McKinsey’s informants stated that they did not make any purchase without checking online first.\textsuperscript{265} Partly due to the amount of time spent researching, Chinese consumers generally take a long time to make purchase decisions.\textsuperscript{266} Impulse purchases are rare and only 28\% of McKinsey’s informants state that they have this habit, compared to 49\% in the United Kingdom.\textsuperscript{267} Chinese individuals do research before purchase mainly in order to get value for their money. Almost half of their respondents in 2012 stated that, “value for their money” was one of their top five considerations when making a purchase. This number has gone up from 20\% in 2009.\textsuperscript{268} Although Chinese consumers are perceived as price sensitive,\textsuperscript{269} the perception that they always seek the cheapest items is incorrect. McKinsey’s survey states that quality and freshness are the key drivers, with 52\% of Chinese consumers believing cheap indicates poor quality, compared with only 16\% in the United States.\textsuperscript{270} This suggests that the Chinese consumers might be willing to purchase more expensive goods in order to achieve better quality.\textsuperscript{271} Most of my

\textsuperscript{261} Chadha and Husband 2006:156
\textsuperscript{262} Chadha and Husband 2006:156
\textsuperscript{263} Chan and Tse 2007
\textsuperscript{264} Atsmon et al.2012:27
\textsuperscript{265} Atsmon et al.2010a
\textsuperscript{266} Atsmon et al.2010a
\textsuperscript{267} Atsmon et al.2012:27
\textsuperscript{268} Atsmon et al.2012:27
\textsuperscript{269} Suessmuth-Dyckerhoff et al.2008:29; Wang 2008:17
\textsuperscript{270} Chan and Tse 2007
\textsuperscript{271} Atsmon et al.2010a
informants in Xiamen also attached great importance to the quality of goods, and were willing to pay a higher price to get better quality goods. As income rises, so do the desire to purchase more and better quality commodities, and McKinsey states that consumers tend to trade up in at least one product category as their income increase, usually at the same time as they trade down in another.\textsuperscript{272}

The importance of a goods status for purchase decisions has grown since 2008, especially for the aspiring lower-middle-class consumers, for whom the appearance of success is most significant, states McKinsey.\textsuperscript{273} There are also trends toward the more individualistic approach of “what fits me,” especially among China’s younger and more affluent consumers. Individual wants and desires are becoming increasingly important for the purchase decisions. Many Chinese individuals are becoming less concerned with following the crowd, or the way in which what they buy defines them in the eyes of others, and more concerned over how the product fits their needs.\textsuperscript{274} This mentality is most prominent in major cities like Shanghai, but McKinsey predicts that it will spread nationwide as incomes rise.\textsuperscript{275} This attitude was also prevalent among my own informants in Xiamen, who attached great importance to purchasing items according to their own needs and preferences. Several of my informants stated highly individualistic ideas. For example, the affluent 35-year-old man who stated that every individual’s personality (性格) is different, and that individuals should attach importance to purchasing items that fit their individual needs and style. To the question regarding whether or not items (东西) could show others who they were; their personality (个性), 84% of the 47 individuals who answered this question, replied “yes.” This suggests the importance of consumption for the majority of Chinese consumers. Like one of my informants stated, she could show others who she was through consumption, and would attach importance to the purchase of items that would describe her personality (买那些能够代表我自己性格的东西). Three students stated that you would buy the things that would express who you were. If the items did not express your personality, you would not make the purchase.

Informants also attached importance to being unique, and not like everyone else. When answering the question asking if they would mind wearing exactly the same outfit as someone else, 50% of the 38 informants who answered the question, answered “yes.” When asked how

\textsuperscript{272} Atsmon et al.2010a
\textsuperscript{273} Atsmon et al.2010a
\textsuperscript{274} Atsmon et al.2010a
\textsuperscript{275} Atsmon et al.2010a
they would feel if they met someone at the street wearing the exact same clothes as they were, most replied that it would be embarrassing and weird (奇怪). For example, one lady stated that she would think, “why are so many people wearing this?” (怎么会有那么多人穿). However, she said that she would continue to wear the clothes, but would wear different accessories the next she wore them in order to avoid embarrassment. Many of the informants attached importance being unique but, at the same time, they did not necessarily wish to be too different. The most important was, like a 24-year-old man belonging to the aspiring middle class segment stated, “To know who you are.”

5.3 The Chinese Consumers’ Consumption Habits

The active consumer is placed at the centre of the new market-based universe, and their needs and desires have become deciding factors. As competition has grown and brands increasingly have to fight for their consumers, many stores have started to practice the theory of the “consumer is God” (顾客是上帝).276 Through the notion of the sovereign consumer, producers are increasingly competing to satisfy the consumer’s needs.277 This is something that becomes obvious when visiting branded stores in China. They have many employees just waiting to serve the entering consumers. Upon entering the store, the consumer is usually politely approached and given the service that they wanted. My informants, and the other individuals I observed during my fieldwork, were a diverse group, with diversified consumption behaviour. On the one hand, you have the individuals who stormed into the luxury store where I was talking with the shop assistant, did not want any help, but just looked around and then left. On the other hand, are the individuals who talked to the shop assistant, got some advice and spent time browsing the shelves and trying on items. The majority of my informants expect and attach importance to good service. However, a large segment attached importance to good service through non-interference by the shop assistant. Most informants stated that they were not easily convinced into buying anything by the shop assistants, because as one informant stated, “you know what they want” (知道他们的目的是什么). A 30-year-old lady stated that she hated (很讨厌) it when shop assistants tried to get her to buy stuff, and that she would not listen to other people’s opinions, because the things other people like might be different from her own preferences.

276 Croll 2006a:40
277 Du Gay 1996:77
(因为别人喜欢的, 自己不一定会喜欢). She would make her purchase decision based solely on her own preferences. She said that she does not like it if the shop assistant tries to promote items to her, and will immediately leave the store (如果有售货员来给我推销, 我很不喜欢, 我会马上走). During her fieldwork, Amy Hanser also observed how customers would ignore or get irritated with the sales clerk if they said too much, and that many consumers liked to be the expert themselves.278 One of my informants even stated that if shop assistants wished to make contact with her and give her advice, she would simply tell them to “shut up” (闭嘴).

Although most of my informants do not appreciate help and advice from shop assistants, many individuals were clear about the fact that they would listen to friends. They also said that they would definitely bring friends along when they went shopping, since your friends know what you like and what suits you. McKinsey’s numbers state that in 2010, 64% stated that they were influenced by others, compared to 56% in 2008.279 However, in my results from Xiamen, only 24% of the 42 individuals who responded to this question, stated that they were impacted by other people, while 76% answered “no.” Among my informants there was a dominating trend of individual thinking. Most informants also said that, although they were open for suggestions from friends, they would still consider the item and make an independent decision. For them, personal style and preference was most important (要有自己的想法, 有自己的个性。自己喜欢最好.) A 25-year-old lady stated that she did not care if others liked her clothes or not because, “that is their opinion and not mine “(是他的想法不是我的). A lower-income girl stated that, “I am the one wearing the clothes, so if I like them I will buy them” (衣服在我身上啊, 我喜欢就买). Another of my informants stated that the others’ “eye” (眼光), their perspective or way of looking at things was important, and that she would listen more to people with a good “eye,” but the most important person was still herself (但是还是以自己喜欢为主). A 35-year-old lady stated that she would listen to others’ advice, but still think for herself. If they said something was ugly she would ask them for a reason, and then consider if their reason made sense, before she would decide whether or not to buy it (会问是哪里难看，考虑才买). Although the majority of my informants would claim that they are largely self-reliant, they were a diverse group, and

278 Hanser 2008:111
279 Atsmon et al.2010a
some of them did attach importance to what other individuals thought and follow fashion and social trends. As an aspiring middle class girl stated, “it is difficult not to be influenced.”

Elfick argues that, due to the lack of choice during the Mao-era, contemporary middle class professionals have become keen and selective shoppers.\textsuperscript{280} Previously, Chinese consumers cared most about the commodities’ functional attributes, but lately they have become increasingly concerned with aesthetic appeal or innovative features. This marks the transition to a consumer environment where the consumers have the means to demand more than the basic product features.\textsuperscript{281} Contemporary Chinese individuals are exposed to a high level of luxury, and more and more consumers have first-hand experience purchasing and using luxury goods. As a result, Chinese consumers are increasingly savvy and discerning, especially when it comes to value and price.\textsuperscript{282} The Internet and online resources, together with the popularisation of overseas travel, have made the consumers of today more knowledgeable, and have provided access to benchmarks for comparing prices.\textsuperscript{283} Increasing numbers also make their purchases online, since, as several of my informants explained, the prices are cheaper and it is more economical (好算). However, McKinsey’s report states that price is not the only reason why Chinese consumers purchase commodities online; convenience and product assortment are also important considerations.\textsuperscript{284} Only a relatively small percentage of my informants stated that they purchased items online. Most individuals preferred to see, feel and try on items before they made a purchase. However, McKinsey predicts that e-commerce will slowly take over, as income and lifestyle options expand in more densely populated areas, and that the development in e-commerce will make it increasingly convenient and secure. By 2020, they claim, 14\%-\nobreak 15\% of all retail sales will be transacted online. In some categories, such as consumer electronics, the percentage could be as high as 30\%-\nobreak 40\%.\textsuperscript{285}

While in Xiamen, I spent a lot of time walking around shopping malls, observing and interviewing consumers. What I noticed was how individual shoppers were largely unaffected by others, and seemed absorbed in their own world. When interviewed, they confirmed this notion, and many stated that they preferred to walk around by themselves and browse. One

\textsuperscript{280} Elfick 2011:202
\textsuperscript{281} Atsmon et al.2010a
\textsuperscript{282} Atsmon et al.2011:17
\textsuperscript{283} Atsmon et al.2011:18
\textsuperscript{284} Atsmon et al.2010b:22
\textsuperscript{285} Atsmon et al.2012:29
girl that I interviewed walking around a high-class mall, stated that she was not there to buy anything, “window shopping” was her hobby. Other surveys have also confirmed that Chinese consumers are known to go window shopping, or comparing prices without any intention of buying.\footnote{Atsmon et al.2010a} My informant stated that she does not drink, sing or dance, and that window shopping is the perfect hobby for her, since it was enjoyable and did not cost anything. The feeling of being in the stores was what she is after. She enjoys the experience of walking around the mall, looking at new styles, feeling the fabrics, and maybe even trying something on. It helps her relax, and gives her peace of mind (逛街为了放弃压力). Sometimes she will buy something, but not too much, and nothing too expensive. However, she was clear about the fact that if she had the money she would purchase more. She stated that at the moment her vanity (虚荣心) was satisfied through window shopping. Croll calls this phenomenon “shopping-study.” This describes individuals who use shopping as a kind of therapy cheering oneself up. She quotes a Chinese woman who states that, “If I am melancholy or distressed, I tend to go shopping. Walking slowly before a beautiful collection of goods, I gradually calm down. Therefore, for me, shopping is often good medicine to treat emotional calamities.”\footnote{Hong 1996 in Croll 2006a:42} Another lady states that, “every Sunday I go window shopping to get some information about the market… I don’t buy anything; I just go for fun. I walk around floor by floor just to get information about the prices. When I get back I tell the others, family and friends.”\footnote{Independent 1998 in Croll 2006a:58} Yan had the same experience when he interviewed individuals during the 1990s. At that time, nearly two-thirds of the women (aged 20-35) said they went to the shopping mall every week. Their reason for going was mainly leisure, and they stated that they went to the mall in order to “relax and make ourselves feel good.”\footnote{Yan 2009:215}

Many individuals today would still perceive a trip to the mall as a leisure activity, and go regularly without necessarily making any purchases. One of my informants stated that she would find something that she liked, and then wait until it was marked down before purchasing the item. Even though this lady did belong to the middle class, with her monthly income of 5000RMB, she still attached great importance to price. However, the shop assistants that I interviewed, stated that customers in general did not pay much attention to the price tags, which were hidden deep inside the clothes. They said that customers normally look at the style first, and then at the price, but that individuals would ask about the price if they
really wanted to know. They had also noticed that middle class customers seldom ask for a
discount. The consumers I observed would usually prefer to look around in the store by
themselves, skim the shelves and try on “what they liked.” Some of my informants liked to
plan, like the above mentioned lady, while other stated that they may purchase items
spontaneously. A segment of my informants, both male and female, believed shopping to be a
waste of time (浪费时间). They prefer to go straight to the store, purchase whatever they
need, and leave straight away. Their shopping was “result oriented” (目的性的), and they
would not look at any other items other than the ones they planned to purchase.

The aspect of personality and personal preference is important not only for choosing which
items one wishes to consume, but also for how individuals prefer to shop. A 30-year-old lady
stated that, in general individuals shop in accordance with their personality. Some of the
individuals love shopping, and therefore buy a lot, while others do not really enjoy it.
Different individuals have different shopping preferences. Some prefer to shop for leisure,
while others only do so when they need something. A 29-year-old man stated that the ideal
form of consumption is not “blind consumption” (理性消费不是盲目消费). One should
purchase what one needs and not buy something just for the sake of buying. There was also a
prevalent theme regarding how different personalities impacted each individual’s spending
patterns, and whether or not they were influenced by others. One of my informants, who was
sitting at Starbucks with two of her friends, illustrated this point. She pointed to one of her
friends and said that this friend was the kind of person that was easily impacted by others, and
would take anyone’s advice. One of my male informants also elaborated on how men and
women purchase different things. He stated that men like to purchase watches and cars, while
women like to buy expensive bags. Personally, he liked to purchase items (买东西), but not to
go shopping (逛街). However, he said that over the last two weeks he had gone shopping 3-4
times and spent a total amount of more than 4000RMB on clothes. He was one of my more
affluent informants. According to a real-estate advertisement discovered by Anagnosts,
middle class individuals are expected to do their shopping in specific international shopping
malls, where they are expected to purchase international brands, and spend approximately
1500 – 4000RMB per month.\footnote{Anagnost 2008:510} A survey conducted by McKinsey in 2007 found that
Chinese consumers spend 9.8 hours a week shopping, compared to only 3.6 hours for the
typical American. The middle class consumers that I met in Xiamen had a diverse range of consumption patterns. Some even stated that they would prefer not to buy anything in Xiamen as, according to them, the city has next to nothing to offer. They would rather travel to Hong Kong, Shanghai or other cities to do their shopping.

Another aspect of Chinese consumption is the habit of gift purchases, especially when travelling. Peter Walichnowski says about Chinese spending in Dubai, “up to 40% of their purchases are gifts for family and friends, making them top spenders in our malls.” My informants usually said that they would definitely purchase gift for their family when travelling, but not necessarily for friends, unless friends had stated that they wanted or needed something specific. One of my informants stated that she would purchase for friends if she found something suitable, but she would not plan to buy a lot of gifts for people other than her family. A couple I met outside a cosmetics store in Hong Kong had a suitcase full of cosmetics, skin-care products, etc. They stated that they had spent several thousand RMB in that store, and that it was mainly gifts they had purchased. However, these gifts were not very expensive, as many of my informants agreed, they would not spend an excessive amount of money on gifts while travelling.

Chinese consumers are increasingly taking to their new ability to consume, and are rapidly adapting to a new consumer environment. Individuals are developing individualised consumption patterns specially designed for their own lifestyles and identities. Their consumption habits are therefore becoming increasingly individualised and diverse, as proved by the magnitude of attitudes and preferences shown in this paragraph. Yan notes how shopping has become important for the everyday life of ordinary Chinese, and how individuals have started to purchase goods they want and not necessarily need. As Croll states, shopping is about so much more than just spending, it is just as much about consumer confidence, perceptions and aspirations. Consumption as the act of acquisition of goods which fulfil a range of personal and social functions, are therefore also impacted by individual preferences and identities which are important for each individual’s motivation to spend and shop.

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291 Chan and Tse 2007
292 Hamdan 2012
293 Yan 2009:215
294 Croll 2006a:xiii
5.4 Saving and Loaning Money for Consumption

Traditionally China has a culture of saving, and Chinese individuals are accustomed to save money to act as a buffer in case of mishap. The Asian economic crisis in the 1990s also reminded families of the importance of saving rather than spending. High saving rates together with falling levels of consumption became a concern to the party-state, who had come to rely on increased domestic spending in order to continue the economic growth. Therefore, steps were taken in order to make consumers spend more. For example, the promotion of individual consumer loans, and imposing heavy taxes on savings by the late 1990s. New directives from the beginning of 1999 loosened the central bank’s control over loans, and Chinese banks were now allowed, and even directed to make more personal loans, and to lower the amount required for down payments. The personal loan was a new social invention in China and, in order to popularise loan taking, official media were suddenly filled with commentaries and reports about the benefits of a personal loan. Propaganda campaigns were launched with slogans like, “borrow money to realise your dream” (借钱圆梦). Bank loans became more available to the consumer, and individuals began to take out loans in order to purchase consumer durables, and pay for education, and travel. So called “economic holidays” were also introduced in the end of the 1990s to encourage individuals to consume, rather than save. Commercial Western festivals like Christmas and Valentine’s Day were also adopted to tempt individuals to shop more.

This new focus on borrowing contrasted starkly with the previous saving culture. During Mao’s rule, individuals were encouraged to put their money in the state bank in order to help build the country. Yan notes that, “such a radical shift in economic policy obviously represents the triumph of consumerism.” However, saving still seems to be the prevailing trend for the Chinese individual today. They are still concerned about financial stability, and will not trade up by the use of credit, but will rather spend within their means. As a 33-
year-old woman explained during my fieldwork, the common Chinese attitude towards consumption (消费观念) is that you have a certain amount of money, and will spend according to your income. In 2006, just 37% of those surveyed by McKinsey agreed with the statement, “I feel confident about my financial future.” They also confirmed that they saved a quarter of their income, which is much more than the common amount saved in Western countries. 306 Canada, for example, has a monthly savings rate of only 2%. 307 Chinese individuals in 2010, on average, saved between a quarter to half of their income. The main reasons for saving are still worries over potential health costs, retirement, education, and housing expenses. 308 The savings rate is so high because of the lack of a good social safety net. In 2008 only 50% of the population were covered by public health insurance. 309 Half of McKinsey’s respondents in 2006 stated that their main reason for saving was in case family members fell ill. On the other hand, 43% stated retirement was their motivation for saving. 310 Chinese consumers in general are cautious towards consumer credit, and it appears to be a reflection of the traditional aversion towards taking on debt, as well as their penchant for setting aside money. 311 Even though credit-card usage has grown in China, it is still low compared to other countries. China has an urban credit-card penetration rate of only 4%, compared to Japan’s 78%. Chinese credit-card users also usually pay off their full balance every month. 312

My informants underlined how there is a difference in the notion towards saving between the different generations. Like a 35-year-old affluent informant stated, that most Chinese above the age of 30 save some money every month, but younger individuals do not necessarily have this habit. McKinsey also confirms this, stating that consumers above the age of 45 belong to a generation which has experienced so much hardship that their propensity to save is firmly ingrained. 313 They also believe that a large proportion of the Chinese middle class save money in order to purchase luxury goods, and that they are not only saving in order secure their future. 314 My informants generally did not agree with this statement. Few said that they saved money at all, and even fewer stated that they would save in order to purchase luxury items.

306 Lane and St-Maurice 2006  
307 Suessmuth-Dyckerhoff et al.2008:29  
308 Gerth 2010:12; Orr 2004  
309 Suessmuth-Dyckerhoff et al.2008:29; bid.; Orr 2004  
310 Lane and St-Maurice 2006  
311 Suessmuth-Dyckerhoff et al.2008:29  
312 Suessmuth-Dyckerhoff et al.2008:29  
313 Orr 2004  
314 Atsmon et al.2011:12
However, some of my informants did admit to doing this. For example, a 27-year-old man said that a few years ago, just after he had graduated, he saved money in order to purchase branded goods, and that he bought his first Gucci bag this way. At the same time though, he stated that he did not do this anymore. A 33-year-old middle class woman labelled people who borrowed money in order to consume, “people who worship money” (拜金主义). She stated that, although it was not common, there were also individuals like this also in Xiamen. A 20-year-old lower-income girl said that she was willing to save money in order to purchase the items she wanted, but she would not save for a very long time, and not too hard (不会存的很久很辛苦). However, most of my informants agreed that they would not save money for consumption, but that they would rather consider their income capacity (看自己的能力水平). Another informant said that, “if I have money I will spend it, but if I do not I will not even consider about spending” (有钱就买，没有钱也不会想买). They went on to say, “I will not save money in order to consume, and do not have the habit of saving “(没有省钱的习惯).

The younger middle class generation has grown up in an era of abundance, and has not experienced an economic recession. As a result, they are therefore more optimistic about the future and their prospect of getting richer. Almost half of the luxury consumers questioned in McKinsey’s survey, say that they believe in enjoying life today rather than worrying about the future.\textsuperscript{315} I had one particularly interesting. He was a 24-year-old man, and stated that his main goal in life is to live “without regret” (没有遗憾). He said that, in situations where he has to make a choice, he always asks himself in situations of choice whether or not he will regret not doing it. If he would regret it, then he will choose to spend the money. His wish is to enjoy life right now, and spend all the money available to him. He also said that he used credit cards frequently, and would rather use them than live in regret. He does not save anything, but he had plans to get rich and was not worried about money. Another of my younger informants, a 22-year-old female student, told me how she uses every bit of her allowance every month. She said that if she had 200RMB left by the end of the month, she would go straight out and buy something with it. When I met her at Starbucks with two friends, she was a bit worried that she only had 400RMB left for over half a month of living costs. A 24-year-old girl that I spoke to, stated that she belonged to the “moonlight group” (月光族), that is, the ones who spend all their money every month, and do not save anything.

\textsuperscript{315} Atsmon et al.2011:12
She further stated that young people were like that. Several young informants had this opinion. For example, the 23-year-old girl in the opening statement of this chapter, stated that as long as she was able to survive she was ok with it (能过得下去就算了). She belonged to the aspiring middle class, and did not seem at all worried about the future.

5.5 Conclusion

Walking around in Chinese cities today, it is impossible not to notice the overwhelming focus on consumption and everyday consumerism. Advertisements, in the form of huge billboards or motion pictures, are posted everywhere and are conveniently located on buildings or in the middle of pedestrian pathways. Chinese TV, as well as other news media, is flooded with commercials. Elfick believes that consumerism, together with nationalism, is one of the few ideologies in China today. Both are promoted by the state and subscribed to by individuals. The creation of individual lifestyles through shopping is therefore approved from the top down.316

As for the Chinese consumption behaviour, they are still influenced by the traditional Confucian values of financial thrift which are deeply rooted in the Chinese society. Therefore, McKinsey does not foresee changes in spending patterns in the near future.317 They believe that consumption will rise together with the rising income. Although the savings rate might fall, the consumers themselves will remain “smart” and willing to use time and trouble researching before they make a purchase.318 McKinsey’s prediction does not quite match the results of my own fieldwork however. According to my informants, young middle class and aspiring middle class individuals do not save anything, but would rather spend and enjoy their life today. They are seemingly living for the moment and believing that things will work out; that they will eventually get rich and live the “Chinese dream.” Changes in spending patterns might not be as far away as McKinsey believes them to be. However, if they follow previous trends, they will start to save money once they pass the age of 30. Chinese consumers are largely individualistic in their consumption choices, and are increasingly attaching importance to their own subjective notions.

316 Elfick 2011:206
317 Atsmon et al.2012:27
318 Atsmon et al.2012:27
6 Purchased goods as symbols of wealth and status

“Goods help us learn, make, display, and change the choices required of us by our individualistic society.”

Grant D. McCracken (2005) 319

This chapter will focus on the aspect of status. It will investigate how Chinese consumers use commodities to show off their social status and wealth. I will argue that commodities contain much more than its outward exterior can tell, and serve much deeper social functions. These functions, and how Chinese individuals today are affected by, and make use of the different aspects of commodities are important throughout this chapter.

The individualisation of Chinese society has changed many aspects of social life, and attached importance to different items as expressions of social status and wealth. Although the use of commodities to express class belonging and affluence is not new in China. The flow of goods and international brands in the reform era has given contemporary Chinese an opportunity to show off in ways earlier prohibited during Mao. In an individualised consumer society, identity and social status are achieved and no longer assigned, and the construction of an individual identity remains a lifelong project. 320 Focusing on differences in consumption ability and style has become a major method of distinguishing individuals from another both socially and spatially. 321 Commodities play an active role in the everyday construction of personhood: Through their culturally inscribed codes and symbols, individuals may instantly show others their social standing. 322 Goods are intrinsically related to the expression of the self, and therefore to the individualisation processes in a society.
6.1 **Goods as Symbol Containers**

The deeper layers of commodities and their functions as symbols have been much discussed during the last century. Max Weber suggested in the beginning of the twentieth century that status groups were stratified according to their consumption of goods that represented their special “styles of life.”

Consumption of different items therefore contains symbolic value. In Thorstein Veblen’s classic, *The Theory of the Leisure Class* (1899), he explained that, “Expenditure on a dress has this advantage over most other methods, that our apparel is always in evidence and affords an indication of our pecuniary standing to all observers at the first glance.” Veblen meant that the consumption of goods acted as a primary index of social status, and that no individual or social group were exempt from this practice. Already at the end of the nineteenth century the symbolic attachments of clothing were acknowledged, and Veblen’s points are still valid today. Veblen argued that consumption as evidence of wealth is well established in human thought, and that the consumption of luxury items is consumption directed directly at the comfort of the consumer himself, and therefore is a “mark of the master.” The failure to consume accordingly therefore becomes a mark of inferiority.

Important for the theories of Veblen is conspicuous consumption. He argued that the new rich leisure class of the late nineteenth century America was characterised by overt displays of wealth, the individuals being desperate to convert some of their newly gained wealth into social status. There are many parallels to the current situation in China, Yan argues that in the early 1990s China, it was common to use conspicuous consumption in order to gain social distinction and to subvert the earlier socialist hierarchy based on political capital. This is still important today. As Yu Lei, managing editor of *Shanghai Tatler* testifies, “if you want to be part of the ‘high status’ society, then you need something on your exterior to let others know.” The consumption process transforms goods into attributes of individual personality, and commodities become badges of identity. In a consumer culture, individuals define

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323 Weber 1958a in Dunn 2008:126
324 Veblen 1899:67
326 Veblen and Banta 2009:49-51
327 Veblen and Banta 2009:53
328 Aldridge 2003:65
329 Yan 2009:xxxv
330 Yu Lei, interviewed by Radha Chadha, Shanghai, October 16, 2002. In Chadha and Husband 2006:144
331 Gell 1986:113
themselves not only through their ancestry, jobs, and hometowns, but also through their purchased goods.\textsuperscript{332} The importance of clothing in identity building was explained during my fieldwork, by a 27-year-old man, who told me that to change outfits felt almost like becoming a different person (我换一套衣服，就是感觉变到了另外一个人). He also used the example of a work uniform; how you change into leisure clothes after work, and through this process mark the change from work to leisure.

Commodities are elements in a sign system, in which their meaning is determined by the relation they have to other commodities. Coded differences between commodities, such as model and price, communicate the status of their owners.\textsuperscript{333} McCracken believes that some of the information innate in commodities, especially when it comes to status, is a matter of self-conscious concern and manipulation.\textsuperscript{334} Individuals choose, knowingly or not, how to express their identity through the display of commodities, as well as through their attained style, status and group identification.\textsuperscript{335} Consumer goods have become important mediums for the expression of private and public meanings. McCracken argues that individuals are constantly drawing meanings out of their possessions, and that in a society where individuals are free to construct themselves, consumer goods become one of the most important templates for the self, and self-definitions.\textsuperscript{336} Through the consumption of goods, individuals are able to achieve the possession of ideals that present circumstances may deny them, and act as bridges.\textsuperscript{337}

\section*{6.2 The Three Big Items}

In the early years of reform Croll argues, most consumption was still conspicuous, and suggested higher income and spending power.\textsuperscript{338} As new commodities started to enter the Chinese market during the reform era, the possession of these new items became a source of immediate status. The individuals who first acquired them became trend setters as the goods became fashionable, and assumed new status. In the 1980s the most desirable goods were

\begin{flushright}
\textsuperscript{332} Gerth 2010:15 \\
\textsuperscript{333} Dunn 2008:54-55 \\
\textsuperscript{334} McCracken 1988:83 \\
\textsuperscript{335} Du Gay 1996:82 \\
\textsuperscript{336} McCracken 2005:3 \\
\textsuperscript{337} McCracken 1988:117 \\
\textsuperscript{338} Croll 2006a:45
\end{flushright}
those perceived to be both modern and Western, and individuals used these goods in an attempt to discard the previous uniformity of revolution.  

Traditionally, scholars have used the “three big items” (三大件), or the three most desired and purchased items, as a way of measuring shifts in spending patterns in China. These items were perceived as status symbols, and the acquisition of which provided an effective measure of wealth. During and at the end of the Mao-era, in the 1960-70s, the “three big items” were wristwatches, bicycles and sewing machines, and some would also add transistor radios. Then in the 1980s, the three most desired items were refrigerators, colour televisions, and washing machines. But as goods became cheaper, these commodities became everyday items in urban areas, and new goods took over their previous role as status symbols. In the 1990s the new status products were telephones, air conditioners and video recorders (VCRs), and increasingly hi-fi units and microwaves. Then by the turn of the century, computers, cars, private housing and home furnishings, as well as travel and recreation took over. Apart from the computer, these are still the top three consumer aspirations today. Whereas the “three desirables” in the mid-1970s were virtually the only consumer goods available, by the 1990s they represented merely the tip of a consumer goods iceberg. The consumer revolution had radically changed the composition of the Chinese market. In the beginning of the reform era there were waves of “mass consumption,” with seemingly mindless consumption of the “three desirables” of the time. Consumers would want the same items, regardless of if they fit their individual needs, economic capability, or residential circumstances. Then, when urban families in general had acquired the first desirable items, such as a television, a refrigerator and a washing machine, a new type of consumption was launched. Individuals now found themselves differentiated in terms of income and lifestyle, and as the income-gap grew larger, it became impossible for the lower-income segments of the society to keep up with the consumption of the more affluent part, a society divided through consumption and lifestyle was evident. Yan states that, “By the mid-1980s, the

339 Croll 2006a:45
340 Croll 2006a:32
341 Hooper 1998:168; Croll 2006a:32; Yan 2009:216
342 Croll 2006a:32
343 Hooper 1998:168; Yan 2009:216
344 Croll 2006a:32; Yan 2009:216
345 Elfick 2011:199; Croll 2006a:32
346 Hooper 1998:168
347 Yan 2009:217
348 Yan 2009:217
pursuit of a life of one’s own had become a forceful trend and the politics of lifestyle began to play a role in Chinese social life.  

6.3 How Chinese Individuals use Commodities

The use of goods as items of identity and social power is far from a new habit in China. Historically, the first criterion for judging prosperity has been whether or not an individual enjoyed “abundant clothing and ample food” (丰衣足食), the common saying that “a person is judged by his or her clothes, a horse by its saddle” (人靠衣裳马靠鞍) reflects this traditional social role of clothing. This can guide and constrain individual action: you are treated according to your appearance, through your appearance other individuals may know your social status, and the items you own will confirm or disprove your place in the social hierarchy. The different social layers have greatly differing consumption patterns and lifestyles, they prioritise different purchases, and have different outlooks on life. A group of young teachers I interviewed exemplified this with their statements that if something broke, they would just fix it, that there were many “aunts” repairing clothes (衣服破了，就补一补) so there was no need to buy new clothes too often. Their statements are the opposite of some of my middle class informants who simply stated that they would use their branded clothes for a while and then grow tired of them and throw them away. The young teachers were very aware of the social differences, and stated that they would never purchase anything outside their expected price range, and never buy fake commodities. They were somewhat embarrassed by their lack of consumption power, and all of them agreed that items could describe who you were, as well as your income level. One of them stated that she had not bought anything for weeks and felt that this was “so pitiful” (好可怜啊).

Consumption helps the individual to define their status within a hierarchically organised system of goods. This way consumption serves to support a continually changing social structure. A 24-year-old man I encountered in Xiamen, stated that in China today everything is related to your exterior (外表). The amount of money you spend, and the kind of goods you purchase show your personal status. Numbers from my survey shows that 85% of

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349 Yan 2010a:502
350 Lu 2006:41
351 McCunn 1991:50 in Lu 2006:41
352 Zhang 2010:69; Yan 2000:163
353 Dunn 2008:37; McCracken 2005:4
the 44 respondents who answered the question, “If commodities could signify the status of the bearer,” stated “yes.” The large majority of the respondents who answered this question attached importance to, and were aware of the aspect of status inherent in goods. However, there were also beliefs that the amount of fake commodities flooding the market caused branded bags or clothes to lose their position as status symbols, as they were not able to signify individual’s wealth with the kind of certainty they had done anymore.

A status symbol could be any expensive item, but some items have achieved a special role as status markers. In contemporary China a well-accepted symbol of wealth is, for example, a car. Owning one can culturally mark someone as affluent or trendy, and allow them to be perceived as a person with personal freedom, prestige and success. To own a car means more than just to have a convenient way to travel. In fact, 43% of McKinsey’s respondents in 2006 agreed that “having a private car is my biggest dream.” Newspaper articles from 2011 confirm that this dream is still growing strong, as car sales are still rising in China. The car, as a status symbol, is an example of how commodities and services have “identity-value,” and not only “user-value.” Its consumption is of importance due to its function as marker of social difference.

My informants had different feelings when it came to car ownership. Some believed individuals today purchased these due to their status value others not. One lady even stated that she had a friend who had two cars which he would use according to the situation, and how much he needed to impress the people he would meet. Other informants believed the main reason for the massive increase in car ownership in Xiamen was their relatively affordable price, good roads, and convenience (方便). Daily-use commodities have become a form of social power and useful in the construction of power relations in personal networks.

As individuals become consumers, the inherent meanings and messages of different commodities become important in the definition of who they are and who they wish to become. The need to become what one is, as stated by Bauman, is gaining importance in an increasingly diverse and complicated society. An important accessory in this process is

354 Chadha and Husband 2006:42; Dunn 2008:168; Gerth 2010:29
355 Lane and St-Maurice 2006
356 Among others: Lin 2011; Waldmeir 2011
357 Du Gay 1996:82
358 Wank 2000:269
359 Croll 2006a:21
360 Bauman 1999:xiv
clothing and other on-body items. As Giddens argues, clothes have always been used as a means of individualisation, but to what degree it was possible or desired by individuals have been limited historically. Traditionally, an individual’s appearance has been important both in China and in other parts of the world, as an indicator of social, rather than personal identity. This is still largely the case also in China, where dress and social class are closely related, but individual preferences are starting to take over. As Chinese society develops into a society divided not only through social classes, but also through lifestyles, appearance is increasingly signifying personal, and not only social identity. Elfick argues that there are two ways to conceptualise consumption, as self-identity and as communication. She argues that individualisation has forced the individual to create an identity by assembling a lifestyle through consumption. She elaborates how the modern society has re-created class identity, that life has become “free-for-all,” and that style of clothing is not necessarily associated with a particular group anymore. Still, at the same time, most individuals believe they are creating their own separate style apart from the group, they are following the individualisation patterns which state that they are actually becoming more alike.

6.4 Keeping Up with the “Chens”

The concept of “keeping up,” which entails how individuals are impacted by their neighbours, family and other relations, was labelled “pecuniary emulation” by Veblen. This concept is, according to Jing Wang, eagerly practiced in China today. The phenomenon begins with those at the top of the social pyramid, after which their consumption standard becomes “emulated” by those in the lower parts of the pyramid. This causes a consumption built on a tiered logic: “for those situated lower on the hierarchy, there is no faster way of acquiring social prestige than copying the lifestyle of those higher up.” It corresponds with Georg Simmel’s “trickle-down” theory, from 1904, that claims that styles and status symbols first emerge from the upper classes, before they trickle down to the masses who imitate the symbols in an attempt to climb the social ladder. As it becomes possible for lower classes to acquire something similar to status symbols, thereby enabling the identification with the higher layers of society, it induces the appearance and feeling of upward mobility. At the same time the élite keep a

361 Giddens 1991:99
362 Elfick 2011:190
364 Wang 2008:180
365 Dunn 2008:141
close eye on the lower classes and continuously move to newer styles once the earlier ones have become too common.366

The challenge of living “true to kind” or keeping “up with the Joneses” is, as Bauman states, the main challenge in the modern era, and within the task of self-identification. Individuals have to actively conform to the established social types and models of conduct, by imitating and following a pattern, and be careful not to fall out of step or deviate from the norm.367 As membership of a class has to be constantly renewed and reconfirmed on a day-to-day basis, to keep up with your neighbours becomes increasingly important.368 Giddens states that, “Individuals adjust both appearance and demeanor somewhat according to the perceived demands of the particular setting.”369 Modern individuals must be prepared to interact with other individuals in public spaces, and to conform to the expected appropriate behaviour.370 Like I overheard when I was inside a small exclusive boutique and one of the customers, a middle-aged woman trying on some clothes, stated that she could not wear this, because “What would the neighbours think!” According to one of Karl Gerth’s informants, the peer pressure to keep up is enormous in China. Like one of them states,”if my colleagues have four Louis Vuitton bags, I am supposed to have five better and bigger LV bags.”371

Some Chinese individuals would attach more importance to visible items, which they are able to show off, than to items invisible to others. Take for instance the previously mentioned luxury car. If one were to supplement the car with other extra features, leather seats or televisions would be of much higher importance than other “unseen” extras.372 According to my informants, there are also examples of fancy-dressed middle class women with luxury cars and bags which homes are scarcely decorated. The general notion is why use money on things for your home, where no one can see and admire them? This aspect is important in a consumer oriented society, where commodities are closely related to social esteem or material prestige.373 In the Chinese context, this aspect is related to the notion of “face” (面子), or social prestige.374 “Face” describes what is socially appropriate to do.375 Individuals can lose

366 Simmel 1957:541-558 in Chadha and Husband 2006:251; Dunn 2008:139
367 Bauman 1999:xv
368 Bauman 1999:xv; Waldmeir 2011; Wang 2008:180
369 Giddens 1991:100
370 Giddens 1991:100
371 Gerth 2010:48
372 Waldmeir 2011
373 Dunn 2008:168
374 Yan 1996:137
or gain face, in which case the loss of face would be terrible for your social esteem. This could, for instance, happen through the discovery of a fake bag in your possession. The gain of face is the opposite, and would be a solely positive experience, for instance when people acknowledge your branded goods, wealth or good taste. The concept of “face” or social esteem is not a particularly Chinese notion. It is an important concept for consumers and their self-perception also in other societies.

During my fieldwork, the notion of face (面子), occurred frequently. Informants generally believed that face was important for most contemporary Chinese individuals. Some informants stated that they loved to gain face (爱面子), that it made them “feel good” (心里感觉好), and that this was the sole reason for them to buy certain goods. Others stated that they were completely unaffected by considerations of face. Some of my informants would, when asked about this aspect, point to other cities. One informant stated that girls, especially in Shanghai, would pretend to have more money just for the sake of status, and although it could happen, it was not common in Xiamen. Informants generally believed people in Xiamen to be very honest, using the money they have, and that the concept of “face” is not that important in Xiamen. At the same time, however, several individuals also admitted to purchasing items in order to gain face. Like one of my affluent informants stated, “When it comes to face all Chinese are very vain” (面子方面中国人都很虚荣的), although not everyone is willing to admit it.

Attitudes and preferences among my informants were different toward the aspect of purchasing due to social status, which I believe is a sign of individual thinking. Although, at the same time, my informants were usually very conscious about what other individuals might think, and careful to stay within their “price range” when purchasing. This is similar to other consumer societies where appearance usually is of importance. Like Giddens states, appearance becomes a “central element of the reflexive project of the self.” That is, it is important for the individuals’ constant project of finding and developing their self-identity.

375 Chadha and Husband 2006:68
376 See: Giddens 1991:99
377 Giddens 1991:100
6.5 **Conclusion**

As consumption choices have increased, consumption has become increasingly important for the shaping of social identities in China. The commodities you wear on your body are of special importance, as they directly mirror your income and social standing. Through commodities, the individual consumer is able to construct his or her identity and lifestyle through individual expression of taste and affiliation.\(^{378}\) Although the use of goods as symbols is not a new phenomenon, their expressive use is important for the understanding of the process of individualisation in today’s China. Individuals make use of these symbols in the creation of their self-identity. Items as status symbols are not only important for the bearer itself, but also to the rest of society, as they send signals of class belonging and income segmentation, which again may affect other individuals’ purchases. Dunn argues that it is through the culturally inscribed codes and symbols that lifestyle patterns express new social practices of consumer culture, and consumers’ project of selfhood.\(^{379}\) Although many of my informants would state that status were of little importance in their purchase decisions, others would say that they purchased specific items in order to gain social prestige. There is little doubt about the fact that Chinese individuals today attach a lot of importance to the aspect of status, and that status affects their consumption patterns. Individuals are still supposed to purchase the status symbols that are within their price range, and show off their purchasing ability in order to gain face and to satisfy their vanity.

\(^{378}\) Croll 2006a:22  
\(^{379}\) Dunn 2008:121
7 The Concept of Branded Goods

“A bag that cost less than 5-6000Yuan is not luxury; you don’t need a large income to be able to buy one.”

30-year-old woman, Xiamen 2011

This chapter will look into the different definitions of brands, as well as fake brands and their different uses. What are the driving factors for the purchase of branded goods in China today? I will argue that brands are more than just a name, they are symbols of a lifestyle, and captivators of social status. As containers of class they are commodities of desire for many, and a means of climbing the social ladder.380

The increased purchasing power of China’s middle class is visible in their consumption of luxury and branded goods. The accumulation of wealth, together with shifting moral codes that no longer sanction the display of wealth among Chinese consumers, is a driving force for the luxury market.381 During the Mao era, individuals were attacked for pursuing luxuries and condemned as manifestations of a “corrupt bourgeois culture.”382 In the early years of reform, China had low levels of consumption and a cult of austerity. However, since the 1980s, this has changed into a consumption culture largely supported by the party-state itself.383 Luxury goods have, according to an examination of Chinese advertising, “changed from being hated symbols of decadent capitalism to being touted as consumption incentives for those who work hard and show initiative.”384 The Open Door Policy meant that from 1978, foreign products slowly started to enter the Chinese market. This inflow of new consumer products, together with increased opportunities for overseas travel, has popularised many foreign brands. During my fieldwork in 2011, I observed long queues of mainland Chinese waiting to enter the luxury stores on Canton road in Hong Kong. The waiting spectators observed as individual upon individual exited the stores with huge shopping bags bearing the brand names in large fonts. The big international brands have all entered China, and are aiming their marketing at the Chinese middle class or affluent. Currently, there are thirty-six Louis Vuitton, thirty-nine...
Gucci, and twenty Hermès stores in China, the majority of which were opened within the last 6 years. These brands are trying to adapt to the local environment and access the alleged “dream market.” Hermès has even created a separate brand called Shang Xia for China and Chinese consumers. While most countries’ economy and consumption were driven down during the global recession in 2009, China’s luxury sales saw a growth of 16%, McKinsey predicts that China’s luxury consumption will continue to increase and grow 18% annually from 2010 to 2015, accounting for over 20% of the global market.

7.1 What is a famous brand (名牌)?

“名牌”or “famous brands,” are not necessarily as clearly defined as one would expect. As the opening statement of this chapter shows, there is a lot of room for different interpretations. This is something that I experienced during my fieldwork. When informants were asked if they considered themselves to be brand conscious (一个关心名牌的人), many asked me to define “famous brand” (名牌). When I asked them the same question, the definitions ranged from, “nothing under 2000RMB is a brand” to “everything that contains a brand label is a brand.”

The Oxford Online Dictionary defines “brand” like this:

1 a type of product manufactured by a particular company under a particular name:
   a new brand of soap powder
   a brand name;
   the firm will market computer software under its own brand
   it takes a long time to build a brand
   a particular identity or image regarded as an asset:
   you can still invent your own career, be your own brand
   a particular type or kind of something:
   they entertained millions with their inimitable brand of comedy
2 an identifying mark burned on livestock or (especially in former times) criminals or slaves
   with a branding iron:
   the brand on a sheep identifies it as mine
   a brand or a branding iron.
   a habit or quality that causes someone public shame or disgrace:
   the brand of Paula’s diplomacy

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385 Atsmon et al.2011:7; see also Croll 2006a:36
386 Xinhua 2009
387 Shang Xia 2012
388 Atsmon et al.2011:7
389 "Brand” 2012
According to the above definition of the English word “brand,” it is a type of product manufactured under a particular name. This definition does not contain any limitations on price or any other formal criteria. The early meaning of the word “brand” meant “to burn a mark on livestock.” Through branding, ranchers were able to build up a reputation and sell their brand/livestock for a higher price than other ranchers. This definition also helps to shed light on the importance of branding both then, and today. In the Oxford Chinese Dictionary the word “名牌” means “famous brand” or “brand name” (品牌), and is therefore a more specific definition than the English “brand.” “Famous brand” (名牌) indicates that the brand has to be well-known; it is not just a brand (牌子) but a famous one. The definition of “famous brand” (名牌) used in this thesis will vary to some degree, as my informants notions may or may not match the dictionary definition. However, in general I will stick to the notion of a “brand” as goods that contain a famous brand name, including luxury goods (奢侈品).

Brands are created through marketing, and so is their value. According to Simmel, value is never inherent in the property of objects, but value is a judgement made about them by subjects. For the consumer, the product has value because it contains meaning, meanings that are claimed by McCracken to be “vital to the self-invention or self-completion of the individual.” According to McCracken, a product’s meaning and value are intrinsically interrelated. Factors such as small exclusive stores, superior customer service and limited advertising send the signal that something is exclusive and expensive, and it becomes a sort of self-fulfilling prophesy. He gives the example of a quartz watch, where new technology made it impossible for all but the trained eye to know the difference between a mid-range quartz (which is cheaper to produce), and a high-range mechanical watch. Therefore, brand names and even the price of the watch became important in distinguishing between the two. Brands therefore, play an important role in determining the value and price of a good. This is both to help the consumer choose the better quality good and to let other people know its value and send signals of class membership and high-income.

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390 Wang 2008:23
391 Kleeman and Yu 2010
392 Simmel 1957 in Appadurai 1986:3
393 McCracken 2005:178
394 McCracken 2005:191
Wang states that there were no brands in existence in China from 1949-1978 and no notion of mass consumerism.\(^{395}\) In the early years of reform the market was largely dominated by state-owned trademarks, and it was first in the late 1990s that the famous international brands of today entered China. Wang argues, that most Chinese consumers do not know how to classify name brands, store brands, and generic goods. Powerful domestic brands such as Lenovo and Haier may therefore be seen as a famous brand (名牌), brand (品牌), or trademark/brand (牌子).\(^{396}\) Therefore, the Oxford Chinese Dictionary’s earlier definition of “famous brand” (名牌) may not be that useful. A trend among my informants was to characterise a “famous brand” (名牌) as one within the reach of, or in the upper aspect of, their own budget. By this logic, the lower-income groups would perceive brands as anything with a name tag, while the higher income groups defined it as international brands, or luxury brands. One of my informants confirmed this when he stated that one’s perception of famous brands (名牌) depends on one’s income. When asked by an anonymous user to explain the difference between famous brands (名牌) and luxury goods (奢侈品), users of Soso Ask\(^{397}\) defined it according to price. The two answers both stated that famous brands were goods were you could add one zero to the price, while luxury goods added two zeros.\(^{398}\)

The idea that Western brands are “famous brands” (名牌) is common, since, due to their clear logos and unmistakable sign language, they are good tools for showing off financial power.\(^{399}\) Louis Vuitton, for example, has become “the ultimate symbol of luxury for millions of Asians,” and is one of the most successful brands in the Asian luxury market.\(^{400}\) Their reason for success is largely due to their ability to define luxury in terms of quality and heritage, and not by scarcity, as well as the conspicuous size of their logo.\(^{401}\) Their key principle is, “pump up the status, pump out to the mass market, both done simultaneously,” and their price range varies accordingly. They have the cheaper key chain which is within the reach of the lower or aspiring middle class individual, and at the same time, they have expensive watches, shoes and bags only available for the more affluent. Louis Vuitton has managed to create

\(^{395}\) Wang 2008:25
\(^{396}\) Wang 2008:26
\(^{397}\) Soso Ask (Soso Wenwen) is a web community where users may ask other users questions, it is created as an open forum.
\(^{398}\) Anonymous 2011
\(^{399}\) Chadha and Husband 2006:3
\(^{400}\) Chadha and Husband 2006:250
\(^{401}\) Gerth 2010:48; Chadha and Husband 2006:250
\(^{402}\) Chadha and Husband 2006:250
exclusivity for the high-end consumer, while at the same time delivering luxury to a larger part of the population. Another reason for Western brands’ success in China is that traditionally, there were no Asian luxury goods of the same stature and universal meaning. Globalisation has made Western goods “the best money can buy,” both in terms of quality and image. Gu Ming, the editor of the Chinese Elle magazine states, “Western brands say ‘I am up to date, young, and cool’ and that is important.” This is also the reason why Elle China has Western models on the covers of their magazine. Western brands’ popularity is evident in fashion magazines and on billboards all across China. In the Vogue magazine that I purchased in 2011, over sixty different Western brands were present with advertisements, but only five Chinese brands. Among the total advertisements only twelve companies used Asian looking models, while the rest of the brands used Caucasian models. This is a clear indicator of the popularity of Western brands and the image that the West still portrays. Many Chinese today believe that famous brands (名牌) are brands that are successful on the world stage. According to my own research, my informants did not agree with this assumption, and their definitions varied. Some informants believed international brands were definitely one of the key characteristics of famous brands (名牌). Others, like a 35-year-old man that I met, believes that a watch priced at under 30,000RMB is not a famous brand, and felt the same way about any other commodity with a price below 700RMB. According to him, they might be international brands (品牌), but they are not famous brands (名牌). Some informants even took into consideration the brands’ status in Western countries, and stated that Adidas, Levis and so on are not famous brands because in the West they are common goods and not famous brands.

The popularity of foreign goods is something that emerged toward the end of the 1990s. In the beginning of the reform era, foreign goods were not well reputed as they gave people a direct link to the outside world and raised nationalistic concerns, states Yan. But since then, foreign goods have grown in favour, and the demand for imported products has risen. Based on sales performance and brand image scores, the most popular brands in Asia are all Western, and consist of: Louis Vuitton, Rolex, Cartier, Gucci, Burberry, Hermès, Chanel, Prada,
Tiffany, and Armani.\textsuperscript{409} Chinese consumers tend to lean towards the bigger brands.\textsuperscript{410} However, McKinsey points out that Chinese consumers are far from loyal to their favourite brand. Only 46\% of the respondents replied that they stick with one particular brand, compared with 71\% in the United States. Yet, McKinsey predicts that brand loyalty will rise in the future as companies promote and differentiate themselves from other brands, and as consumers become more aware of the differences between the brands.\textsuperscript{411}

7.2 Why Purchase Branded Goods?

The consumption of branded goods are two-sided; on the one side there is the consumption of the commodity itself, then on the other side there is the consumption of the items innate meaning, its status and other symbolic powers.\textsuperscript{412} A large part of the luxury customer segment in China purchases luxury and famous brands in order to let others know their social standing.\textsuperscript{413} "Luxury brands have become the lingua franca of status,"\textsuperscript{414} says Chadha and Husband. They go on to argue that logo-fixation is the most important factor for the spreading of luxury goods in Asia. According to them, the brands with the greatest success in China are the ones with a clear, easily recognisable logo, a symbol or a continuous pattern all over the bag.\textsuperscript{415} These goods have instantly recognisable features, for example, Chanel’s gold chain and Burberry’s check pattern. Being instantly recognisable is one of the requirements for a successful brand,\textsuperscript{416} since icons and images enable consumers to acquire an emotional attachment to objects and mark differentiation.\textsuperscript{417} Because of the importance of brand recognition, several brands started to overtly display or transfer the logo to the outside of the product where it could be easily seen and admired.\textsuperscript{418} The price of a product is also of importance if the commodity is used as a status marker, since your wealth will be judged by the amount you spend. In order for this to work, the price needs to be universally known, and this is the advantage of a famous brand. Due to the brands popularity, magazines like Vogue, other media, and window-shopping make sure that everyone has a fair idea of the price.

\textsuperscript{409} Chadha and Husband 2006:25
\textsuperscript{410} Atsmon et al.2010a
\textsuperscript{411} Atsmon et al.2012:28; Atsmon et al.2010a
\textsuperscript{412} Wang Jianping 2005:76
\textsuperscript{413} Among others: Chadha and Husband 2006:20; Fraser 2000:32; Wang Jianping 2005:77
\textsuperscript{414} Chadha and Husband 2006:67
\textsuperscript{415} Chadha and Husband 2006:20
\textsuperscript{416} Chadha and Husband 2006:58
\textsuperscript{417} Wang 2008:23
\textsuperscript{418} Croll 2006a:44
Consumers of branded goods therefore, purchase a logo and a feeling just as much as they purchase a product. The aura and image created around the logo is what makes the product popular. This is what McCracken calls “meaning manufacture.” He claims that meanings are in constant transit, and continue to flow between different locations in the social world, aided by the collective and individual effort of designers, producers, advertisers and consumers themselves. During my fieldwork, the status aspect of branded goods was clear. Few of the people that I met were reluctant to tell me about their purchases, and were eager to elaborate about what they had bought and the price of the good. My informants explained to me that many Chinese express their social standing (身份) through the consumption of luxury articles and branded commodities. The reasons for purchase of branded items are also connected to the notion of “face.” Like a 30-year-old woman told me, the usual practice in China is that the wealthy purchase expensive branded goods, and less affluent individuals do not. If less affluent individuals still choose to purchase branded goods, then they do it because they love to gain face (他们就是很爱面子的). Another lady stated that she would buy branded goods, but that brands were probably more important for young people. Young people who want to be “in” will purchase more luxury goods, as they believe that will help them to achieve the social status they wish for.

Besides the aspect of status, there are also other important reasons why consumers keep buying branded goods. One of them is a theory by McCracken called the “Diderot effect.” This theory is defined as “a force that encourages the individual to maintain a cultural consistency in his/her complement of consumer goods.” In a brand-related context, this causes the consumer to continue to buy branded goods because of the need for all his/her commodities to correspond. By taking one item and making all the other possessions consistent with it, you enforce your class-label through the consumption of the “right” items. Which goods go together is determined by culture. Individuals will purchase and use goods, and groups of similar products, that they believe match their self-perceived

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419 Chadha and Husband 2006:59
420 Chadha and Husband 2006:31
421 McCracken 1988:71
422 McCracken 1988:123
423 McCracken 1988:120

72
status. This effect corresponds with the Chinese saying that “similar things go well together” (物以类聚).

Individual consumers obviously have their individual reasons and arguments for their purchase of branded goods, but some arguments are widespread. The first one is regarding quality. Both McKinsey and my own informants agree with the belief that the quality of branded goods is superior. Of the consumers McKinsey talked to in 2010, 50% stated that better quality was one of the reasons why they bought luxury goods. This percentage had risen from 36% in 2008. The numbers from my fieldwork were even higher, with 78%, of the 45 respondents answering the question, answering that quality is more important than price. Like a 26-year-old woman wearing a LV watch costing 20,000RMB, and with hands full of shopping bags said, “Quality and appearance is the most important.” Yet some of my informants were also very aware of the fact that branded goods were not a guarantee. A 23-year-old aspiring middle class girl emphasised the fact that branded goods are not always good quality, and that she would always check the quality of any good before purchase. She believed that price and quality were connected, and would seek out quality goods that would last. Previously, a high price might have been an automatic sign of quality, but fewer consumers make that assumption today. McKinsey’s numbers state that in 2010, only around half of all consumers equated the most expensive with the highest quality products. These numbers have gone down from 66% in 2008. A 30-year-old woman that I interviewed in Xiamen, said that the most important thing for her was quality and style, and that the commodity did not have to be very expensive in order for her to make a purchase. Another woman stated that she views brands as important, but that she would also buy cheaper brands like H&M and Zara, because she knows and trust the brands. However, she will not trust clothes without brands. “Brands give me security,” she states, and is thus willing to pay more in order to achieve this security. After quality, a “well-known brand” was the most important. Products that reflected quality and craftsmanship and the product’s heritage were also popular. A 25-year-old woman said that she liked to buy things that were different and special. These products did not necessarily have to be expensive, although she loved brands and their “culture” (文化). Another common reason is purchasing branded commodities as a reward. Many well established individuals said that they purchase luxury brands to reward

424 Fraser 2000:32  
425 Atsmon et al.2011:19  
426 Atsmon et al.2011:17  
427 Atsmon et al.2011:19
themselves for hard work and financial success, just as much as they buy it for the social recognition. Some of my informants also agreed with this point. One 23-year-old girl stated that she would buy herself a famous brand (名牌) as a special gift when she felt like she deserved something extra.

My informants in Xiamen were usually very conscientious about what they were wearing and what they could and could not buy. A majority stated that they would not buy something solely because of a brand name, but will buy what they like. For example, a 31-year-old female stated that she only buys brands if they suit her (适合自己就行), and these brands would have to match (配套) her social standing (身份). When answering the question of whether they considered themselves to be a brand conscious person, almost half of the 87 informants who answered this question, said “yes.” However, only half of these respondents actually knew the name of the brands which they were wearing. Even if they stated their monetary worth, they did not remember, or did not want to say the brand name. This question was about their subjective notion, and all income layers replied. As a result, a woman earning 800RMB a month, and a man earning 50,000RMB a month both answered “yes,” but the low-income female would not be able to buy branded goods in the way the high-income male could. The interesting fact, however, is that so many of my respondents actually replied that they were conscious of, and attached importance to, brands. Chinese consumers are, according to McKinsey, perceived as surprisingly aspirational. This is shown by the fact that 60% of the respondents would look at branded commodities even if they cannot afford them, and the majority would purchase more such products if they had more money. The individuals I met in Xiamen also corresponded to this statement, 68% of the 46 respondents answering this question, stated that they would buy branded and luxury goods if they had the money. Like a 20-year-old girl exclaimed, when I asked her if she liked famous brands(名牌),”of course I like it!”

The customer segment for branded goods consists mainly of the younger portion of the population, as the middle class and rich in China today are young compared to their counterparts in Western countries. A massive 72% of luxury consumers in China are under 45 years old, and 45% under 35, compared to 28% under 35 in Western Europe. Chadha and

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428 Chadha and Husband 2006:166; Atsmon et al.2011:11  
429 Chadha and Husband 2006:166; Atsmon et al.2011:11  
430 Chadha and Husband 2006:166; Atsmon et al.2011:11
Husband argue that a large part of the older generation, born before 1960, missed out on education during the years of Cultural Revolution, and are therefore largely unable to participate in the huge economic growth. The younger generation, on the other hand, has grown up in an era of opportunity. They have more money, and are more optimistic about their future. The demands for brands by younger people are obviously different from those of the older generation, and luxury brands have to adapt to the present Chinese market of luxury consumers. McKinsey distinguishes three consumer archetypes for luxury goods. The first is the “luxury role models.” They are the young and fashionable, and buy to indulge themselves and to make themselves feel unique, rather than to show off wealth. They believe that these items are an essential part of their everyday life, and will buy luxury goods spontaneously. The second group, the “fashion fanatics,” are middle class individuals who spend a disproportionate share of their income on luxury goods. They have a strong “enjoy life now” mindset, and are willing to buy on credit. They don’t seek out flashy products, but appreciate it when friends recognise a new purchase. They exert a strong influence on other consumers, and share their purchases and opinions in social circles and online. The last group is the “middle-class aspirants.” They are infrequent buyers of luxury goods, and purchase them because it makes them feel successful and fulfils aspirations of belonging in a higher social circle. They have less knowledge about luxury brands, and are thus more cautious spenders.

7.3 Stages of luxury consumption

According to Chadha and Husband, luxury consumers follow stages. China’s consumers started off wanting to wear anything that signified brand, acquiring symbols of wealth and displaying them in the most conspicuous manner possible. Consumers knew little about the brands and their quality and sought the safety of a well-known brand name. However, as consumers get more product knowledge and experience, they will feel safer trying lesser-known brands. McKinsey predicts that in the future, Chinese consumers will purchase more

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431 Chadha and Husband 2006:174
432 Atsmon et al.2011:13-14
433 Atsmon et al.2011:13-14
434 Their five stages: subjugation, start of money, show off, fit in, and way of life, is explained in Chadha and Husband 2006:43
435 Chadha and Husband 2006:45
436 Atsmon et al.2012:28
niche brands, as a way of setting themselves apart from the crowd.\textsuperscript{437} In a McKinsey study in 2011, more than half of China’s luxury shoppers said that they wanted less showy fashion, and 41\% said that showing off luxury goods shows poor taste.\textsuperscript{438} This is in conflict with the belief that consumption of branded goods is solely due to status, and marks a change in Chinese consumer culture. Croll supports this statement, and argues that once the basic aesthetic considerations were able to compete with utility and function, there has been an emerging interest in fashion and the pursuit of individuality in China.\textsuperscript{439} A new luxury consumer segment has evolved in recent years; one which defines itself increasingly by style. They are known to be “more refined, more confident, more knowledgeable,” and use brands to express personal taste and style rather than status.\textsuperscript{440} They choose brands and styles that set them apart from the group, and pay close attention to new styles in glossy magazines, and to what others wear on the street.\textsuperscript{441} China’s wealthy are expected to reach a stage of confidence where status anxiety is relieved. With this confidence, a greater diversity will arise, and people will have the confidence to follow their individual desires rather than just blindly following the crowd.\textsuperscript{442} Chadha and Husband argue that the new generation of youths, the “me generation,” also may mark a change in the luxury consumer market in China. This generation has grown up during the reform era, and are seen as more individualistic than their parents. Many have paid attention to fashion and style during their early teenage years, and are now starting to reach the position where they can afford to buy more expensive goods.\textsuperscript{443}

Since some Chinese consumers are moving on from the status-focused phase, and over to a more style contentious one, fashion is becoming increasingly important. Fashion is an important marker of status and wealth, and become especially important when lines of class grow vague. Consumers use fashion and lifestyle to construct their social and cultural identities. Dunn states that fashion is “what ties individual consumers to a collectivity, and the status order, providing both distinction and a sense of belonging.” It provides a means of negotiating change in the status hierarchy.\textsuperscript{444} Through the use of fashion, individuals may gain respect based on their appearance and taste, and not just due to their branded commodities. Much of the allure of luxury has changed, and is now more about the

\begin{thebibliography}{9}
\bibitem{437} Atsmon et al. 2012:28
\bibitem{438} Atsmon et al. 2011:20
\bibitem{439} Croll 2006a:36
\bibitem{440} Chadha and Husband 2006:167
\bibitem{441} Chadha and Husband 2006:169
\bibitem{442} Chadha and Husband 2006:285
\bibitem{443} Chadha and Husband 2006:170
\bibitem{444} Dunn 2008:137
\end{thebibliography}
opportunity to share in the brand’s rich cultural heritage. This is especially true of more
durable products such as jewellery or watches. This has caused a change in marketing
strategies, and many companies are now promoting their company history and product
craftsmanship. There is also an increasing interest in goods that are culturally specific to
China, and one-third of informants asked by McKinsey said that they would prefer to buy
luxury products specifically designed for China. This is not to say that Chinese consumers
no longer appreciate the value of international brands, but rather that they are becoming more
nationalistic, and interested in product design that reflect China’s heritage. This trend is
particularly true for the young and upper-middle class consumers. The preference of many
Chinese consumers for local brands and products shows a shift in attitudes toward traditional
values and beliefs. This does not apply to all product categories, however. For consumer
electronics and cars, foreign brands are still the most desirable.

The new middle class and the new rich, however, have more to prove and might still be at an
earlier stage of the luxury model. This problem of growing wealth is a reason for the further
development of the Chinese luxury market. As more people gain capital and have access to
expensive status-carrying branded goods, some of the goods’ status disappears. This makes it
difficult to differentiate oneself from other social groups, something that becomes
increasingly important as the class of new rich (暴发户) expands. Like one of Elficks
informants states about the new rich, “They buy Western designer goods with giant logos to
show off, like Polo shirts and Gucci sunglasses. The logo must be very big or they won’t buy
it. They can’t appreciate simple things.” One of my informants, a clerk in a luxury store,
said that the new rich (暴发户) have no idea about product brands. Many come from the
countryside where people usually do not know about brands. Therefore, the price tag becomes
important, since they are able to express the value of the brand just by stating its price.

Although the acquiring of status objects may no longer be the sole reason for the purchase of
branded goods in China, the marketplace will continue to reinforce status divisions. A market
will, out of necessity, always reflect differences in purchasing power, and reproduce a system

445 Atsmon et al. 2011: 30
446 Atsmon et al. 2011: 30
447 Atsmon et al. 2011: 31; Elfick 2011: 203
448 Suessmuth-Dyckerhoff et al. 2008: 30-31; Yan Forthcoming: 20
449 Suessmuth-Dyckerhoff et al. 2008: 31
450 Chadha and Husband 2006: 167
451 Elfick 2011: 204
of further differentiation and segmentation. Amongst the Chinese consumers, there will always be individuals who attach importance to the status aspect. An example of this is one of my richer informants, a 35-year-old man, who stated that he would buy luxury brands like Louis Vuitton and Gucci for his daughter who is in elementary school. He admits that he buy branded goods in order to let other see that he has a lot of money. To him, quality is also important, but not as much as to “letting people know that we are living the good life” (让人感觉生活过得不错). He believed that the ones with bad economy can buy brands in order to get “the brand’s flavour” (名牌的味道).

Differing opinions when it comes to the purchase of famous brands correspond with the general development toward an individualised society. A society where style and lifestyle is becoming more important than the brands themselves, and where individuals perceive themselves as independent and different.

7.4 Brands and Individualisation

There has been a shift in the Chinese society toward a society that is more separated by lifestyle. The consumer culture has engendered forms of competition which are more individual and personal than earlier. Dunn claims that the “acquisition and display of goods and styles now seem more related to self-expression, feelings of pride, and a search for self-esteem than a wish for social status.” This occurs among others through style, which becomes a major reference point for the definition of the self, and identities change together with styles. An individualistic line of thought was also present in my informants. One 32-year-old lady stated that “fashion is you” (“fashion”就是你). A 25-year-old man saw a clear connection between branded goods and personality. He claimed that some people like brands, and that it is their personal feeling (个人的感觉).

Dunn argues that style and fashion is “the conventionalized vehicle of both self- and social identity,” and that identity is linked to the appearance of things, both people and objects. Consumers self-construct and acquire an identity in the eyes of others, through commodities.

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452 Dunn 2008:141
453 Dunn 2008:156
454 Dunn 2008:181
455 “fashion” pronounced in English
456 Dunn 2008:117
Dunn further states that, “given the social foundations of self-recognition, at a deep level the desire for commodities is inseparable from the need for social recognition and acceptance.”

The branding of a product is also important identity wise. Through brand identification, brands give consumers a means for cementing identifications with commodities by giving them status-conferring names with which they can identify. Brands have come to stand for so much more, and consumers can make it a part of their self-definition and self-representation. Brand names can become marks of membership to a lifestyle or group, and therefore serve an important function at the level of social or cultural identity. Lifestyle, Croll mentions, has become an important notion among young Chinese today. The feeling that any product can signify choice, style, fashion and difference is important for their sense of lifestyle. Consumption, she further elaborates, is “a new and individual pursuit centring on the personalised acquisition of clothes, adornments and entertainment.” She argues that “clothes,” as an individual thing, have become a major mechanism for the expression of style, colour and individual choice.

Another question that one of the anonymous users of Soso Ask asked the other members of the online community, was about individuality. The question was the following: “Actually there is no need to chase after famous brands and luxury goods, as long as you like the goods yourself. Isn’t that the most important thing?”

This question generated many answers, more answers than the other threads that I found. Answers were generally highly focused on the status of individuality, for example, “When so many women have these famous brands (名牌), if I have them myself, isn’t the personal status the same? It is therefore better to buy what you like yourself, no matter if its luxury goods or not, as long as you like it and you are happy, that is what is important. Isn’t it?” Another user stated that,” These famous brands suit me, but I don’t like to be like everybody else. I like to have my own unique personal status.” Several stated the importance of liking the goods yourself, whether they are branded or not. The most interesting answer in this discussion was, ”The same clothes will look different on different people, self-confident people will look
good in anything ”
(一样的东西穿在不同人的身上是两种感觉的,自信的人,穿什么都好看). She had received the comment, "What a confident woman!" To which she replied, "Right, the important thing is that its suitable (合适) and then it’s ok, as long as you think it’s comfortable (舒服) it’s alright.” The overall opinion was that you should have your own style, different from others.463 This is a highly individualistic approach to clothing, and branded goods, and the fact that individuals think and state this online is a sign of individualisation.

7.5 Brands as a Work Necessity

Another important segment of the luxury brand market is the business sector, and work related consumption of branded commodities. A large part of the luxury market is dominated by mandatory purchases of gifts and image building related to work. The luxury market in China actually started off as male dominated, with men buying gifts for business partners or government officials in order to build relations (关系).464

Many of my informants said that they either do purchase, or would purchase, famous brands if their work required them to, even though personally they do not care much for brands. Brands are powerful and necessary in building relationships (关系). The idea behind “relations” (关系) is to, through the practice of gift giving, let the receiver know your good intentions. Gifts will help to establish good relations, which are required to do well in business. This was confirmed by a business man that I met at a Starbucks in Xiamen. He said people will judge you based on your clothes and accessories, and will not want to do business with you unless you have the right clothes or present the right gifts. Personally, he had received an iPad as a gift, and was accustomed to giving business partners suitable gifts. A famous brand, such as Gucci, is considered a more tasteful gift than money.465 Another one of my informants, a 33-year-old business woman, said that, if you do not have famous brands then your business partner might not want to do business with you. A potential partner would rather choose someone with the right bag or car, because they make a better impression. Famous brands (名牌) show one’s social position (身份). Therefore, if you wear the right brands it looks like you are successful, and people will trust you more than they will someone

463 Anonymous 2009
464 Chadha and Husband 2006
465 Ryder 2011
without branded clothing. “It is the way Chinese do business” (中国人生意方法), one woman told me; they will see if you have money, and if you do they will want to do business with you.

In business, brands are just as important for your own consumption, as for others, and you will need to give branded goods as gifts in order to succeed. Brands, and their function as impressive gifts or as status bearers, are reliant on the overall image of the brand in society, which is largely created by advertising.

### 7.6 Fashion Magazines and Advertising

The moment that products became brands, and brands became representative of lifestyles, global and Chinese companies started to market aspirations, images and lifestyles. Advertising has been important for the creation of a visible consumption culture, through images of the good life, beauty and fulfilment, and the introduction of a world of goods and personal desires. Fashion magazines are important for the spreading of fashion and brands. They play an important role both as trend-setters, and as an “encyclopaedia” of status goods and social worth. In the first five years of the new millennia, two-hundred “new” fashion and lifestyle magazines have sprung up in China. These magazines are not only contributing to changing the consumer’s attitude toward luxury brands and fashion, and teaching consumers “How to be stylish,” but they are also changing attitudes toward life with their lifestyle advice. The popularity of these magazines is explained by Gu Ming, “A lot of luxury brands are investing in our magazines. They are hoping this generation will grow and when they can afford it, they will buy it.”

My informants in Xiamen had mixed opinions regarding magazines and their power to impact their purchases and style. Some said that they bought magazines and that they were important in helping them to find different ways of dressing or using accessories (搭配). However, others would look at the brands, and buy something only if they liked it and it was within their price range. One of my informants said that magazines influence her style, let her know what is popular, and help her find what she likes. Many young Chinese like to pay attention to

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466 Croll 2006a:19  
467 Hooper 1998:169  
468 Chadha and Husband 2006:32; Ong 2008:194  
469 Chadha and Husband 2006:157; Croll 2006a:217  
470 Gu Ming, interview by Radha Chadha, shanghai, October 14, 2002 in Chadha and Husband 2006:157
style and what is new and fashionable, but as one girl that I met said, they will not necessarily “chase after” (追求) branded goods or fashion. For her luxury goods were unreachable (要不可及的东西), but she would buy them if she had the money. The majority of the people that I asked would not buy, and not impacted by, these magazines.

Today’s fashion magazines play an important role in setting trends, and are in many ways more important in the definition of a brand’s image and popularity than advertising is. Advertising creates awareness, but sceptical consumers are more likely to trust magazine editorials, says Chadha and Husband.\textsuperscript{471} However, advertising is still an important aspect of and tool for brands. Commercial advertising returned to China in 1976, after years of draught under Mao. Supported by new economic policies this sector has grown quickly, and is now a considerable contributor to China’s GDP.\textsuperscript{472} Advertising and marketing’s most important task is to generate meaning. Meaning is the basis for the value of a commodity, which, in turn, is the basis for price. Advertising and marketing is therefore an important part of branding, and help to create a brand.\textsuperscript{473} McCracken believes that advertising is an important instrument for manufacturing and transferring meaning, as it brings the consumer good and the cultural representations together in the frame of an advertisement.\textsuperscript{474} Through advertising a commodity’s potential social identity and mode of consumption is presented to the consumer. It gives the consumer a vision of a lifestyle.\textsuperscript{475} Through advertisements, commodities are constantly giving up old meanings and taking on new ones.\textsuperscript{476} Advertising is increasingly using lifestyle and attitude as identity markers in their campaigns. Pepsi was the first to do this in China, with the slogan: “Come alive! You’re in the Pepsi Generation.”\textsuperscript{477} The fact that slogans like this are entering the Chinese market is both a sign of individualisation, and a further encourager of the individualisation process. Marketers are taking advantage of, and detect patterns in, the society. They use this information for advertising purposes, and in this way they are also enhancing individualisation processes by adapting advertisements to the individual needs of society. Wang gives the example of how women in China today, “Cast themselves in the image of smart, attractive, and resourceful women who need their own space and time; they also long to reward themselves. Gone is the era of self-sacrifice their

\begin{footnotes}
\footnotetext[471]{Chadha and Husband 2006:34}
\footnotetext[472]{Wang 2008:1}
\footnotetext[473]{McCracken 2005:175; Gerth 2010:114}
\footnotetext[474]{McCracken 1988:77}
\footnotetext[475]{Fraser 2000:32; Elfick 2011:207}
\footnotetext[476]{McCracken 1988:79; Gerth 2010:114}
\footnotetext[477]{Wang 2008:25}
\end{footnotes}
mothers and grandmothers lived through.” Advertisers today have to salute the modern girl’s achievements and fuel her fantasies. As Linda Kovarik, a strategic planner at Leo Burnett, states, “We are seeing a rise in materialism and ego. (Chinese) women are expressing themselves in a way their mothers couldn’t. Brands need to offer them room to be vain(…) as marketers, we can definitely explore more archetypes: woman as hero, woman as lover, woman as creator, explorer.” Individuals are seduced by advertisements. Yet, although the consumer may believe that he or she possesses the freedom to purchase what they wish for, our practices by which we express ourselves are highly governed. The media, and advertising at large, is responsible for a lot of the materialism in society today through its promotion of commodities and sensational coverage of fashion and consumption. Through advertisements, individuals are able to find and identify themselves in terms of brands which will reflect their social status. Advertising also creates desires and needs which are never quite fulfilled by the purchased commodity. In this way they are generating a never-ending quest for happiness and fulfilment through consumption.

These desires are presented to all layers of society. Billboard advertisements of famous brands portraying the “good life” are present for all to see. Therefore, the market for fake commodities becomes a way in which less affluent individuals can attain status objects.

### 7.7 Consumption of Fake Commodities

The CEO of Prada, Patrizio Bertelli, states that, “To be counterfeited is a symptom of success, certainly. If we weren’t copied and counterfeited it would mean that Prada and Miu Miu labels weren’t desirable.” In this way, a counterfeit reflects and confirms the status of the brand, and implies the commodity’s association with quality, luxury and lifestyle. China has long since had the reputation for producing and consuming fake goods, but this is starting to change. Chinese consumers are increasingly able and willing to purchase the genuine good, and the percentage willing to buy fakes is dropping. Some of McKinsey’s informants said that their friends would spot a counterfeit, which would mean embarrassment for the informant.

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478 Wang 2008:78
479 Prystay 2002 A11 in Wang 2008:78
480 Henman 2007:171
481 Yan 2009:223
482 Zhou 2008b:172
483 Meichtry 2002 in Chadha and Husband 2006:269
484 Croll 2006a:45
One female informant used her first salary to reward herself with a luxury handbag, and said that, “It would be meaningless if it was fake.” My own informants were divided in their attitude towards the purchase of fake brands, but 75% of the 46 respondents who answered this question, stated that they would not purchase fake commodities. Their main argument was due to poor quality, and therefore, they would rather buy the real thing. One of my informants stated that, “If you have the ability, you buy the real thing, and if you don’t you should not pretend” (有能力要买真货，没有不要做装). This was confirmed by one of my richer informants, who stated, “Why would I buy a fake, when I could buy the real thing?” One lady said that she could buy a fake, but never with a big logo, that would be too overstated (夸张). One of my more affluent informants stated that, “even my 13-year-old daughter knows how to separate fake from real, and she does not want to be seen with a fake bag. They know about brands.” This shows that even richer or middle class Chinese children of today attach importance to brands, and do not want to wear fakes. However, not all of my informants thought it easy to spot a fake. Some believed that it would be very obvious, while others said that they would not know the difference. A 22-year-old lower-income man stated that he would buy fakes, but not too excessively, because people who know brands will know it is fake. If someone finds out he is wearing fake he will feel very embarrassed (心情低落). The majority also stated that if you cannot purchase the genuine commodity you should not purchase the fake version, as it would mean a loss of face if caught.

During my fieldwork, I found that an astonishing number of informants in all income groups possessed iPhones. Half the 44 informants who answered my question asking what kind of phone they had, replied “iPhone.” It was my advisor who reminded me that probably not all of these were real. According to Apple’s official list, there are currently only 5 official licensed Apple stores in China, and they are in Shanghai and Beijing. This implies that the “Apple store” I entered in Xiamen was far from real, and it is hard to know whether or not the goods sold there are genuine. The probability that many of my informants’ iPhones were fake is therefore very high, whether my informants were aware of this of not. There is still a large amount of fake goods in the Chinese market.

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485 Atsmon et al.2011:19
486 Apple Retail Store 2012
487 For further reading about the fake Apple stores, see: Takada 2011; BBC News 2011; Lee 2011
The new trend with consumers being more concerned about style, is also having an effect on the purchase of fake commodities. With less focus on branded goods, a tendency to combine luxury with less expensive goods has appeared. Chadha and Husband write about how this has become a trend all over Asia. Basic clothing and accessories will be purchased from cheaper brands, and then luxury articles like a Gucci bag or a LV watch will be added to “add class.” If you choose to substitute with cheaper fakes, that would be ok, but you would have to be careful as it is still looked down on to be spotted with a fake. The rich may purchase more fakes since people would assume that they are real, while others have to have enough genuine goods to deserve this trust. As one of Chadha and Husband’s informants stated, “(there is) no point wasting money on an expensive suit, people think it is a designer brand because everything else is.”

This kind of behaviour underlines the importance of visible symbols of wealth, which for many are much more important than private pleasure. Home appliances for instance, are more often lower-priced brands, since only the family will see it. Different income groups have different reasons for purchasing fake commodities; reasons that may or may not be connected to status and social acknowledgement. Michael B. Griffiths points out that, for some of his informants, lower-income migrant workers, the ability to purchase good fake products was a source of admiration in their social circle. It indicated knowledge and control of the market. The fact that they knew the top brands, and at the same time had the ability to purchase a good counterfeit for a good price, was a source of pride.

7.8 Conclusion

The old notions of austerity, and condemnation of luxury and bourgeois culture during Mao’s era are now gone. Gone are the old, patched, but politically correct clothes, wearing colourful and individualised clothing is no longer causing criticism from society, but rather receiving admiration. Chadha and Husband claim that in Asia today, “You are what you wear.” Expensive branded goods are part of a new system where identity and self-worth are determined by the brands that you wear. They claim that luxury brands are a modern set of symbols used to redefine identity and social position. Brands play an important role in marking your outward identity. By wearing luxury brands you single yourself out as someone

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488 Chadha and Husband 2006:60-61
489 Chadha and Husband 2006:60-61
490 Griffiths 2010:12
491 Yan 2009:211
492 Chadha and Husband 2006:3
who made it, an individual with success. Whether or not the brand suits you, or if you even know how to pronounce it, does not seem to matter. The brand has a function as an easily recognisable status symbol.\footnote{Chadha and Husband 2006:140} This chapter, however, has shown that this and earlier notions that Chinese individuals would buy brands only to show or attain social status, is now about to give room to a more individualised notion. Newer research shows tendencies towards individual taste and special design. Individuals increasingly attach importance to the consumption of consumer goods that embrace a different aesthetics. It seems Chadha and Husband have a point with their definition of the stages of luxury brands. The new rich (暴发户) still lag behind and will purchase luxury brands because of status, while the young Chinese middle class are more individually oriented. Although they too may care about brands, their own style is more important. Like a 21-year-old aspiring middle class girl stated, “I don’t have to have brands, I just buy the things that suit me.” This attitude towards a more individualised concept of buying whatever suits you, regardless of whether it is fake or real, branded or not, was common among my informants.

Even though new trends and consumption patterns have appeared, this has not resulted in the disappearance of branded goods as status symbols. Brands still have an important position in Chinese society, and the majority of my informants would buy brands if they had the means to. Although this might not necessarily be due to the search for status symbols, or a wish for class belonging, I believe it is still an expression of an aspiration for higher quality goods, and the better life these goods represent. It is obvious that there are a lot of different opinions and reasons for buying branded goods among Chinese individuals today. However, I believe that the trend of combining branded goods with cheaper non-brands or even fakes shows increasing individualisation. At the same time, the starting point is the branded good. It is how you choose to combine your Gucci bag with less expensive brands that shows your personality.
8 Segregating spaces

“Malls are variously described as public parks, as the new temples of the great new cities of Asia. (...) they are open-access academies of middle-class consumerism. (...) What is being studied most assiduously are the elements of middle-class style.”

Ken Young (2009) 494

This chapter will look closer into the aspect of shopping malls and commercial spaces, and how these arenas are effectively creating and affirming class belonging. I will argue that these spaces play an important role for the individualisation of Chinese society, and that they have become important for the individual consumers’ self-definition.

Increased salaries, together with new social and recreational spaces in post-Mao China, have changed traditional consumption patterns and popularised shopping as a social activity. 495 Although the concept of shopping malls is a relatively new one in China, they have spread quickly and become a familiar sight in the larger cities. 496 Young elaborates on how we should not underestimate the cultural role of shopping malls, and how these new social arenas have become places for individual redefinition and status development. 497 Shopping malls provide an arena for social interaction, but most importantly for spatial differentiation and consumption of different lifestyles. Individualisation processes have become visible through the large variety of choices set forth for the individual, both when it comes to different commodities, and to differentiated social spaces.

8.1 Shopping malls in China

During Mao’s era, individuals had relatively equal access to consumer goods since it was distributed by the work unit (单位). 498 If individuals needed anything, they would have to approach their work unit, who would provide the appropriate good. Then, in the mid 1990s the workplaces’ earlier obligation to satisfy consumer demand were reduced as new retail

494 Young 1999:70
495 Yan 2009:215; Atsmon et al.2012:29; Croll 2006a:18
496 Barboza 2005
497 Young 1999:69
498 Davis 2000b:3-5
formats slowly took over. Independent hawkers and local markets started to appear. In this modern marketplace consumers were increasingly seen as sovereign and capable of impacting the market. Shopping has become a favoured leisure activity in a modern China where, opportunities for purchase seldom are far away. In a survey performed by McKinsey in 2010, 73% replied that they regarded shopping as a leisure activity, and just over half said it was the best way to spend time with their family. Chadha and Husband speak of a phenomenon that they call the “malling of Asia,” that is the popularisation and widespread building of shopping malls as a result of the economic boom. In Xiamen there are so many new shopping malls, that it is hard to keep track as there is a constant process of construction. Retail arenas and shopping malls are separated into higher- and lower-end shopping malls, supermarkets and local markets. This kind of segmentation gives the consumer a greater sense of choice, and motivates them to make a purchase.

Croll states that, in the early years of reform, shopping malls and department stores gave visitors the opportunity to learn about new and modern lifestyles. She argues that in some ways they became museums of the future rather than of the past or the present. As a “museum of modern lifestyle,” shopping malls are important for the creation of aspirations among the lower-income levels, and are also effective in segregating social spaces and identities. John Clammer states that, “shopping is not merely the acquisition of things; it is the buying of identity.” However, as Young adds, within these spaces, you do not necessarily have to purchase any goods in order to take part in the practice of identity formation.

8.2 The Differentiated Uses of Shopping Malls

Shopping malls have become modern spaces where individuals are encouraged not only to purchase commodities, but also to experience new types of entertainment and recreational activities. Their various functions make them able to satisfy different needs among modern consumers. Because of this, consumers from different social classes visit shopping malls with

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499 Davis 2000b:5
500 Du Gay 1996:77
501 Atsmon et al.2010a
502 Chadha and Husband 2006:22
503 Barboza 2005
504 Dunn 2008:135
505 Croll 2006a:41
506 Clammer 1992 in Young 1999:69
507 Young 1999:69
508 Croll 2006a:40
different purposes. According to Lin Geng et.al, the middle and lower-income segments mainly visit shopping malls for leisure or entertainment. For them the shopping mall is a place for social interaction, and they would often go together with friends.\textsuperscript{509} The higher income levels, on the other hand, pay more attention to the “utilitarian function of such activities.”\textsuperscript{510} Different social groups will necessarily have different consumption patterns, and their recognitions of social space will vary in accordance with their social status and lifestyle.\textsuperscript{511}

Within the large shopping malls different consumer segments seek out different stores, and different floors. Shopping malls are organised in order to segment their customers, and are divided into both floors and different arenas. Brands within the same price range tend to cluster together in order to target a specific socio-economic strata. In this way they may address the need for greater individuality and target lifestyles, with the overall effect for the stores being higher rates of consumption.\textsuperscript{512} In Xiamen, the previously large SM-mall had opened another outlet on the other side of the road, SM phase II. Here the high-end international branded stores were located together with a Starbucks coffee shop and a differentiated selection of higher class restaurants and cafés. This contrasted with the lower-or medium-level brands, KFC, McDonalds and other fast-food restaurants in the first SM-mall. Chadha and Husband state that, through shopping malls individual consumers learn how to put brands into status hierarchies. They do this by noting both the store setting and location; cheaper brands are often on the lower floors, and more expensive brands higher up.\textsuperscript{513} The placement of commodities, and the channels through which they are placed, add and detract meaning, and are therefore important for the brands’ social worth. As McCracken states, “even well-managed brands are irreparably damaged by the buying environment.”\textsuperscript{514} Only when the brands are able to control the store environment, can they guarantee the effective delivery of their product’s meaning.\textsuperscript{515}

\textsuperscript{509} Lin et al. 2010:452-453
\textsuperscript{510} Lin et al. 2010:450
\textsuperscript{511} Lin et al. 2010:456
\textsuperscript{512} Dunn 2008:135
\textsuperscript{513} Chadha and Husband 2006:22
\textsuperscript{514} McCracken 2005:187
\textsuperscript{515} McCracken 2005:187
8.3 **Social Stratification in Shopping Spaces**

Through the various uses of the shopping mall as a social space, individuals are effectively stratified into a social hierarchy. Shopping malls, and the stores themselves, are partaking in this process of social distinction through their differentiated treatment of individuals of different social standing. In a modern consumerist society, commodities and spaces are important parts of a social symbolic system, where individuals attach as great an importance into the consumption of an item, or to a social space’s symbolic value, as they do to the commodities themselves.\(^{516}\) Feng divides the different social classes according to their consumption of food, clothing, and travelling. He states that only the upper class makes their purchases in branded stores, the upper-middle class goes to ordinary malls and shop online, while the middle class supposedly makes most of their clothing purchases in supermarkets.\(^{517}\) This division is not completely consistent with my own experiences, and my definition of a middle class, where middle class consumers are able to purchase some branded items, although not in the quantity of the upper class. However, what is important to learn from Feng’s description, is how he effectively stratifies individuals into different social layers based on the location and choice of purchase.

Through window displays and other shopper’s behaviour, consumers are able to learn about brands and their lifestyles. Young argues, in the opening statement of this chapter, that shopping malls are “academies of social distinction.”\(^{518}\) He further explains how individuals learn and perfect their consumption behaviour through observations and experiences in shopping malls, and how, in this respect, shopping malls are contributors to identity construction and social differentiation.\(^{519}\) In these “academies,” every impression is important. The music, atmosphere, shop displays, and other shoppers are all essential in the formation of social spaces. Music is an important device for delivering meaning to the brand through the retail environment,\(^{520}\) and is frequently used in shopping malls and stores. Some of the “cooler” branded stores in China have such a high level of sound, that it is almost impossible to make contact with the shop assistants. However, it is possible that their customer segment do not really want contact anyway. Shops actively make use of music in order to create the right consumption atmosphere, and to create a distinction between higher

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\(^{516}\) Lin et al. 2010:457  
\(^{517}\) Tian 2011:3  
\(^{518}\) Young 1999:70  
\(^{519}\) Young 1999:56  
\(^{520}\) McCracken 2005:188
and lower class stores. However, music is not the only means which stores may use to differentiate themselves. The shop assistants uniforms, the furniture and the overall impression are important. Even the shop assistants’ attitude may reveal the shop’s position in the social hierarchy. Upscale malls are perceived as having higher quality stores, both in terms of appearance and service, than lower-class malls.\textsuperscript{521} There are not only differences between the service levels in different malls, but also within malls there are differentiated treatment of customers from different social layers. This was confirmed by a 33-year-old woman during my fieldwork. She said that the sales clerks in luxury stores judge you based on your outward appearance, and treat you differently if you do not seem to have lots of money. Hanser suggests that social distinctions are produced in two ways when it comes to service settings. First, high-class shopping malls and department stores engage in practices that distinguish them from lower class shopping malls, which are further down the social hierarchy. Second, the service workers produce social distinctions in their interactions with customers, through their differentiated treatment of customers from different social strata. In this way, Hanser argues, service settings become spaces where customers actively seek social distinction, and therefore are important sites for the distinction of social classes. She further states that, “the \textit{production} of service is simultaneously the \textit{consumption} of service, service settings provide a key space for the reproduction of structures of inequality through recognition of class entitlements.”\textsuperscript{522}

Shopping malls are not the only arenas bearing class distinctions. Other leisure activities, restaurants and bars have the same function, with different price levels leading to differentiated spaces for each social class. When a coffee at an airport costs close to 100RMB, it is clear that it is not intended for the migrant worker or lower class individual. When only the more affluent individuals have the economic capability to purchase goods at certain spaces, it becomes a mark of status and wealth.

\section*{8.4 Individualised Consumption of Spaces}

The consumer revolution has led to changed attitudes and opportunities for individual expression in public and commercial spaces. Commercial arenas are increasingly being used as arenas through which individuals may find, identify and express themselves.

\textsuperscript{521} Chebat et al.2006:1292
\textsuperscript{522} Hanser 2008:9-10
Anthropologists have long recognised the acquisition of goods as important for identity formations, and shopping as an opportunity for self-definition. The ideology of lifestyle enables consumers to construct their reality through the various apparatuses of consumer culture. Through consumption, individuals are able to develop a highly individualistic lifestyle separate from the group, states Dunn. In shopping malls, individual consumers are encouraged to shape their own individual identity through shop displays, advertisements, window-shopping, and observations of other shoppers. Through these channels, individuals develop their “own” style through inspiration from others. The middle class or affluent individuals might purchase similarly branded items at the mall, while the less affluent might use this inspiration and purchase a similarly styled commodity at a local market instead. It is important to remember that consumption is not all about lifestyle aspiration. It is just as much about the amount of money available for spending, which effectively separates the social classes.

Hanser experienced, that some social groups felt entitled to greater levels of respect and social recognition based on their social position. She further states that, “the sense of entitlement people carry with them into social interactions with other people becomes a practical expression of social hierarchy and social location.” Individualised customer service has become important for the branded stores, making their customers feel important, and separating them from the lower-levelled stores. Sales personnel are advised to create an “aura of exclusivity” in order to attract customers, and to underline customers’ desired feelings of importance and individuality. The aspect of getting help and advice from shop assistants is therefore also perceived differently in accordance with the believed status of the shop assistant. Many of my middle class consumers did not want clothing advice from shop assistants in lower level stores. It seems that individuals trust the staff in the higher-class stores more than those in the lower-level or common branded stores. Many consumers would be reluctant to ask for help or advice from the shop assistants in the lower branded stores, like Calvin Klein and Levis, brands perceived as famous brands (名牌). However, in the more luxurious branded stores, such as Versace, Armani and Louis Vuitton, it was different. According to my informants, consumers often asked the shop assistants for help picking out

Croll 2006a:45
Dunn 2008:133
Wang 2008:16
Hanser 2008:8
Hanser 2008:8
Ong 2008:194-195
the newest commodities, or want answers to style questions. The owner of a small luxurious boutique told me that some of her customers will ask for help and advice, but that another customer segment has their own style and opinions, and do not like to get any advice from the sales personnel. Her sales assistants were therefore instructed to pay close attention, and to give service according to the customer’s preference.

Middle class and affluent individuals today are not only able to identify themselves through the different high-class mainland consumption spaces, but they have also started to travel to other countries for consumption and leisure.

8.5 Travelling for a “Spending Holiday”

Because of the high mainland taxes, which is up to 30% or higher, only one out of every two Chinese consumers chooses to shop at home. High-end shoppers travel either to Europe, Hong Kong or other Asian markets. Chinese tourists have become so important that malls and individual stores have started to customise for the Chinese consumers, hiring Chinese speaking staff and honouring Chinese festivals. With visa restrictions being relaxed and group visas to Western countries becoming common, the number of Chinese tourists is increasing. Chinese consumers’ main reason for travelling to many destinations is shopping for genuine luxury brands. Several of the informants I met in Hong Kong stated that their main reason for travelling was to purchase reasonable branded goods, and to be sure that the purchased items were genuine. One of my informants said that she was afraid to purchase branded goods in China because she worried it might be fake (用真钱买假货), but in Hong Kong she did not have to worry.

Hong Kong has, in the words of Chadha and Husband, developed into a “luxury-shopping Mecca,” offering the best selection (besides Japan), and the best prices in Asia. Mainland tourists have become a common sight, and some Hong Kong stores even report that 70% of their sales are to mainland customers. The mainland Chinese individuals that I questioned in Hong Kong stated that they were “travelling,” and that shopping was part of their itinerary, but not their main reason. At the same time though, one of them stated that “Hong Kong is

529 Ryder 2011
530 For example in Dubai: Hamdan 2012
531 Chadha and Husband 2006:17-18
532 Chadha and Husband 2006:17
533 Chadha and Husband 2006:17-18
shopping heaven” (香港是购物天台). Another lady told me that, when mainland Chinese state that they are in Hong Kong to “travel,” it usually means shopping, because that is the most attractive thing to do in Hong Kong. Some informants also stated that, because of to the strong currency, you would be able to get a lot for your money in Hong Kong at the moment.

Hong Kong, and other markets abroad, have become yet another segregated commercial space. The middle and higher classes are able to travel, while the lower-income segments participate in these spaces vicariously through television and travel advertisements. Travelling and shopping abroad are obviously different from local shopping malls where individuals of other classes are able to enter and observe, even though they might not make any purchases. Yet, they are both part of the segregation of spaces in China, and are both effectively used as identity shapers.

8.6 Conclusion

Shopping malls and other commercial spaces have become important factors in a consumption-oriented contemporary China. Increasingly, individualised consumers have started to demand differentiated treatment both when it comes to service and to retail spaces. In order to satisfy these demands, and effectively increase sales, commercial spaces are becoming more and more segregated. Modern retail spaces give individuals different experiences, and have become a commodity and mark of social distinction in themselves. Lower and higher income groups can choose to enter a commercial arena where the goods available are within their price range, or they may also access spaces where they may not necessarily consume anything other than aspirations. At the same time shopping malls remain a place for social interaction between the different classes. Common malls, consisting of both higher-level branded stores and a supermarket or other leisure spaces, create an arena where individuals from different income groups may show off wealth, style or class belonging, and get inspiration from other consumers as well as shop displays. Shopping malls, with all their different commodities, have become an important arena for individualisation. Consumption is a domain of importance, since through both the process of acquisition, and the use and display of goods, individuals are able to “show who they are.”

534 Wang Jianping 2005:80-81
9 Conclusion

Today’s Chinese citizens must, “learn to ‘rely in one’s self’ (kao ziji), rather than on the state to make the right choices, generate income, and regulate their own conduct.”

Zhang (2010) 535

This final chapter will sum up the findings of this thesis, and draw some conclusions with regards to the research question; How the Chinese middle class are identifying themselves through consumption, and how important is consumption in their search for individuality and identity?

The changes brought on by reforms have caused great changes in the lives of Chinese individuals. As Zhang states, contemporary Chinese individuals must increasingly rely on themselves in many aspects of life. 536 Many social structures have proved and reinforced the individualisation processes in China throughout the reform era, like with the re-emergence of a large private sector, 537 and the dis-embedment from earlier social institutions like family and tradition. Chinese individuals increasingly come forward with their own interests, rights, plans and choices. Choices largely approved of, and made possible by the party-state’s release of the market powers and the subsequent individualisation of consumption. Individualisation processes have become visible through the last 30 years; processes that have changed both the access to commodities and the patterns of consumption.

Chinese individuals are increasingly forced to make choices in order to form their life biography, and transform into the person they want to be. The increased individualisation in Chinese society is clearly displayed through my informants’ attitudes toward society. The general notion among both my middle class informants, as well as my informants from other income groups, was that in general people were different; they had their own personalities, and identities. It was considered important not to be like everyone else, but to express yourself in the manner of your own preference. Like a middle class women states about the Chinese society today, “Everyone has their opinions and ways of thinking, I do what I like” (我喜欢怎么做就怎么做). She also pointed out that, “You should not wear anything just

535 Zhang 2010:19
536 Zhang 2010:19
537 Delman and Yin 2010:95; Alpermann 2011:15; Yan 2010a:496
because others are wearing it. You should not be quick to change your opinions; you have to create yourself (要做自己) and have individuality (有个性).” This is not to say that contemporary Chinese individuals no longer listen to others; they will still listen, but will also increasingly evaluate other individual’s opinions and take their own independent stand. Informants, in general, would think it was acceptable for other individuals to wear the same items, but it was not something they would actively wish for. Individuals want to distinguish themselves from others and have their own separate personality. Like one of my lower-class informants, a 22-year-old girl, stated when asked if she would mind wearing the same outfit as someone else, “You should avoid being like anyone else, you should be special, have your own identity” (要避免跟别人一样，要独特，要有个性).

The Chinese society has developed into a modern consumer society full of options and ways in which individuals may spend their monthly income. In a consumer society, individuals are free to choose which goods to consume, but they are not free to choose if they want to consume at all. A consumer society with differentiated arenas of consumption has provided Chinese individuals with the means of displaying their class belonging through both commodities and spaces. Different patterns of consumption effectively stratify the Chinese society; if you have money, consumption options are many and diversified in China today. The middle class are able to use other items and methods than earlier in order to express their status, and to individualise their consumption patterns. McKinsey predicts that by 2020, the Chinese consumers’ emotional considerations will strongly affect their purchasing decisions, and that it will be especially important for products to reflect their sense of individuality. These attitudes were already present among my informants, and may indicate that the shift in values toward a greater emphasis on self-expression is already in motion.

To express themselves in an individualised manner is becoming increasingly important, at least when it comes to clothes and consumption. But at the same time as individuals increasingly attach importance to their independent choices, their world remains built up of social hierarchies and social codes, which they have to take into consideration. They cannot float free, picking and choosing whatever products they want. Individuals might think that they can, that they are free to shape their own style, but in reality they receive expectations and influence from many fronts that shape the way they act and purchase. These expectations

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538 Elfick 2011:190
539 Atsmon et al.2012:28
determine what people buy and which style they “choose.” Like the individualisation theories state, individuals in an individualised society are not free to do whatever they want. Instead, they are following the steps and phases of individualisation, which ultimately results in them leading an individualised life through conformity. Some of the individuals I met seemed highly individualistic at first glance, but in reality they were representatives of certain lifestyles, and there were many others like them. As a 35-year-old affluent man told me, there is no individuality (个人主义) in China today, only vanity (虚荣心), as everyone purchases the same things.

Therefore, on account of my informants, I will argue that there is a high degree of individuality in the contemporary middle class’ consumption in China today. The middle class make active use of consumption in order to confirm their class belonging, and to express their own individuality and identity.

My analysis and findings in this thesis do not pretend to be an exhaustive account of China or of Xiamen, but it is intended to reflect the opinions of the individual informants of this study. It would be difficult, potentially even impossible, to state something general about the development of a consumer culture and differentiated consumption patterns in China on just the basis of my short fieldwork in Xiamen. However, I do believe the trends I have found among my informants may also be valid also for other cities. Scholarly research from different Chinese cities has also confirmed my findings of increased individualisation of consumption, as well as in society at large. Like Elfick states, there is an increasing preoccupation with being individualistic in Chinese society today. Zhang saw the making of a new middle class in Kunming; a middle class which aspired to a different kind of ethics than the socialist ones. Additionally, Yan argues that a feature of rising individuality is a new willingness and ability to express personal opinions, and that this is too becoming visible in present-day China. There will always be more angles and aspects one should have taken into consideration, and I would love to dig deeper into, among other things, the thematics of individualisation on a deeper psychological level. However, due to the limitations of this thesis, a more in-depth and thorough examination was not possible this time.

540 Beck and Beck-Gernsheim 2003:151 in Yan 2010b:4
541 Elfick 2011:206
542 Zhang 2010:19
543 Yan 2003:221
I believe the new generation of Chinese individuals will take the individualisation and consumption to another level in time, but that this development depends on the Chinese state as well as what further happens with the Chinese economy. Numbers from 2012 indicate that the Chinese economy is still slowing down, and consumers are spending less than before. Other East-Asian countries have managed to lower the savings rate and increase consumption. In order for China to follow, however, they have to help dispel individuals’ misconceptions about future living and healthcare costs. To simply increase the availability of personal loans and spending holidays is not enough to unleash consumption, if the common Chinese still do not trust the system to take care of them if they should fall ill. How the party-state deals with this and other problems appearing in a China occupied with individualisation remains to be seen. However, I believe that Chinese individuals and the Chinese middle class have ended up in an increasingly individualised society. A society where they are responsible for shaping themselves and their lives through, among other things, the items they purchase.

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