

## The “new wave” in studying Asian markets and consumers

Bernd Schmitt<sup>1,2</sup>

Published online: 22 April 2015

© Springer Science+Business Media New York 2015

Numerous economic studies have identified East Asia—the region ranging from China to Indonesia and from India to Korea and the Philippines—as a major growth region in the twenty-first century. As I have discussed elsewhere (Schmitt 2014), some predict that by 2050 the East Asian region will be the dominant force of the world economy where about half of the entire middle-class population will live. The middle class is essential for a society and economy to thrive, and of great interest to marketers because it is not only a sociological phenomenon but a consumption community. Middle-class consumers desire quality fast-moving consumer goods, electronics, fashion, and the like. They affect markets by flocking to malls and assembling on social media and e-commerce sites. Studying Asian markets and consumers, especially the middle class, seems a key task for marketing researchers.

Yet, our conceptual and empirical understanding of Asian markets and consumers is still rather limited. The Special Issue on Asian Markets and Consumers aims to make a contribution toward closing this gap. The authors of the papers in the Special Issue present the findings of research projects that not only enrich our knowledge but have practical implications for global marketers as well as marketing managers in the region.

I am pleased to say that a large number of papers (75 in total) were submitted to this Special Issue. Only nine papers (that is, 12 %) were ultimately accepted. The papers included here cover a wide range of topics including emotions, luxury consumption, online purchases, store choices, language, celebrity endorsements, conspicuous

---

This article was completed while Bernd Schmitt was Executive Director of ACI located at Nanyang Technological University in Singapore. He thanks Rachel Samuil of ACI and Gabriela Torres of Columbia Business School for support in preparing the Special Issue.

---

✉ Bernd Schmitt  
bhs1@columbia.edu

<sup>1</sup> Columbia Business School, New York, NY, USA

<sup>2</sup> Institute on Asian Consumer Insight (ACI), Singapore, Singapore

consumption, gift giving, and mass customization. There are seven empirical papers (using modeling techniques to analyze surveys or conducting experiments), one methodology paper on studying voice to predict emotions for speakers of Mandarin Chinese, and one game theory paper (on consumer store choice in Asian markets). The research projects are distinctly focused on Asia; there is only one cross-cultural “East” vs. “West” study, comparing South Korean with US consumers. The various contributions cover many different country markets including China, India, Indonesia, Singapore, Japan, South Korea, and Taiwan. Most importantly, there are two studies examining the similarities and differences across Asian markets: one study compares luxury value perceptions in the three large-size markets of China, India, and Indonesia; the other study compares Chinese, Japanese, Taiwanese, and Singaporean consumers. Finally, note that the authors themselves are based at universities all around the world (in the USA, UK, Central Europe, Australia, and of course in the region itself)—a testament to the global interest in research on Asia.

I view the research articles presented here as prototypical examples of what may be called “the new wave” in studying Asian markets and consumers. This emerging “new wave” has a different focus than research done over the last few decades. Research is shifting from an emphasis on traditional Asian culture toward a focus on consumer culture and how this consumer culture manifests itself in various Asian markets. The “new wave” research also focuses less on general concepts and more on uniquely Asian phenomena. Finally, methodologically research is shifting from “East” vs. “West” comparisons toward in depth studies of certain Asian markets and consumers and toward comparing among them.

In the following, I will explain each of these three developments in more detail and illustrate them with papers published in this issue.

## 1 From traditional culture to indigenous consumer culture

Cultural scholars have argued that “the countries of East Asia have common cultural roots going far back into history” (Hofstede and Bond 1988, p. 6). Thus, since the seminal work on culture by Hofstede (1980), East Asian societies have often been viewed as one culture. For example, all Asian societies have been viewed as “collectivist” where people are tightly integrated into groups and exhibit strong in-group loyalty. As a result, it has been argued, East Asians have developed an “interdependent self,” compared to an “independent self” as people have in the individualistic societies of the West (Markus and Kitayama 1991). East Asian societies have also been shown to exhibit a high degree of power distance, that is, hierarchical relations in public and private life. And they exhibit a long-term orientation, attaching importance to the future and valuing persistence and thrift (Hofstede and Hofstede 2005).

This may be so. But how relevant is this “traditional cultures” view to describe and explain Asian markets and the behaviors of consumers in Asia today? Does traditional culture still really matter in modern marketing?

An alternative view that is gaining momentum proposes that there is considerable variation and heterogeneity within Asian markets, resulting in indigenous “consumer cultures.” That is, East Asian countries differ from each other in significant ways economically, socio-culturally, and demographically. Economically, the region includes

highly developed market economies (including Japan and South Korea as well as the city states of Hong Kong and Singapore) but also emerging economies such as China, India, Indonesia, Malaysia, the Philippines, Thailand as well as Cambodia, Laos, Myanmar, and others. Socio-culturally, people in the region speak many different languages (including Chinese, Japanese, Korean, Indonesian, Hindi as well as many other Indian languages and dialects, among others) and adhere to different religious, ethical, and philosophical belief systems (e.g., Buddhism, Hinduism, Confucianism, Shinto, and Taoism). As a result, “they are not all the same,” as the title of one of the papers puts it (Shukla, Singh, and Banerjee, in this issue). These variations may also lead to differences in market structures, distribution systems, pricing, and reactions to other marketing variables. For example, income inequality may affect conspicuous consumption (Jaikumar and Sarin, in this issue). Market development may affect risk uncertainty for shopping in low-uncertainty (authorized retail stores) and high-uncertainty stores (unauthorized sellers) (Wang, Wang, and Bell, in this issue). Similarly, in different markets, uncertainty avoidance may affect mass customization differently (De Bellis, Hildebrand, Ito, and Herrmann, in this issue).

## 2 From general concepts to uniquely Asian phenomena

Traditionally, consumer and marketing researchers focus on developing general theory (for example, within an information-processing paradigm), studying general empirical phenomena (for example, common market structures), and establishing general principles (for example, in strategy development). We see our tasks as presenting general concepts that apply to all consumers and markets.

Yet, by investigating Asian markets and consumers, some unique consumer phenomena may emerge. These phenomena may be found almost exclusively in Asia or at least they may have shown up in this region first. It remains to be seen if and how our general concepts can explain them. I am referring, for example, to China’s one-child policy, a societal measure and field experiment that affected millions and at least two generations. The one-child Chinese society may be a unique setting for studying the relation between government policies, social cognition, and consumer behavior. Other perhaps uniquely Asian phenomena may include concepts of “face,” “fates,” and “cuteness” (*kawaii*). Some phenomena may be uniquely language-based, for example, the honorifics system in Korean (Han, Sohn, and Yoo, in this issue); others may be socially based within the unique context of a country, e.g., wines as gifts in China (Yang and Paladino, in this issue) or celebrity perceptions in India (Roy, Guha, and Biswas, in this issue).

## 3 From cross-cultural “East” vs. “West” comparisons to within-Asia research

Finally, numerous studies on Asian markets and consumers have used a cross-cultural format, comparing the “East” with the “West.” But the question arises whether we are actually justified in aggregating across Asian markets and countries (and Western markets, for that matter) and picking arbitrarily as a matter of convenience one location

in Asia and one in the West, as we have done for many years in cross-cultural research. We may be overlooking the heterogeneity described earlier. I believe that there is still some value in cross-cultural comparisons, though not as “East” vs. “West” comparisons but by comparing two lead markets in a very practical sense. For example, South Korea and the USA are both key technology and e-commerce markets and thus comparing online-purchases in these markets may lead to important practical implications *and* some cultural insights, e.g., for designing culturally customized web sites (Ko, Seo, and Jung, in this issue).

However, the “new wave” of research on Asia is moving away from “East” vs. “West” comparisons toward research within Asian countries or across Asian countries. This is because cross-cultural “East” vs. “West” research raises serious cross-cultural reliability and validity issues when studying more subtle phenomena, such as emotions. The study of emotions in different countries may require different methodologies to pick up subtle emotional changes. For example, the phonological structure of Mandarin Chinese seems to require a unique methodological apparatus for measuring emotional expression in a person’s voice (Wang, Wang, Chien, and Moutinho, in this issue).

## 4 Conclusion

Research on Asia is no doubt thriving, as evidenced by the variety of topics and methodological approaches covered in the articles in this issue by the contributors from around the world. In this new research presented here and in other publications, one can detect substantive and methodological shifts that constitute a “new wave” of research on Asia. These new approaches will be beneficial for the marketing research field as a whole and offer new insights to marketing practitioners inside and outside the Asia region.

## References

- Hofstede, G. (1980). *Culture's consequences: international differences in work-related values*. Beverly Hills: Sage.
- Hofstede, G., & Bond, M. H. (1988). The Confucius connection: from cultural roots to economic growth. *Organizational Dynamics*, 16(4), 5–21.
- Hofstede, G., & Hofstede, G. J. (2005). *Cultures and organizations: software of the mind* (2nd ed.). New York: McGraw-Hill.
- Markus, H., & Kitayama, S. (1991). Culture and the self: implications for cognition, emotion and motivation. *Psychological Review*, 98, 224–253.
- Schmitt, B. (2014). *The changing face of the Asian consumer*. Singapore: McGraw Hill.