



Conducting research in China
Getting to the truth and making it count

Key take outs

1

Recognize the size and diversity of the Chinese market in your sample design with a balanced set of cities and geographical distribution.

2

Implement a tested set of quality control questions to ensure your panel quality.

3

Counter the impact of cultural bias with passive measurement or forced preference question types as much as possible.

4

Do not rely on reported ownership of brands and products; ensure ownership via in-survey control measures.



Researching the Chinese market

With a population of 1.36 billion and an ever-rising middle class, China represents the biggest potential market in the world. No wonder Western multinationals are keen to understand the Chinese consumer in order to capitalize on the rich opportunity that the Chinese market represents.

But researching the Chinese market is easier said than done. Both academic and market research communities agree that the key challenges to doing this relate to sample quality and social/cultural bias.

Over a period of many years, MetrixLab has conducted numerous projects in China, both multi-country and China-specific studies. Consequently, we have a wealth of experience and data on the Chinese market.

This combined with our status as part of the Macromill Group gives us a unique perspective on the region.

In this white paper, we share the results of our database analysis to provide insight into the key factors at play in this complex market.

Furthermore, we give guidance on how to overcome challenges specific to conducting research in China.



**Panel quality
in China is
inconsistent**



Panel quality in China is variable to say the least. There are two types of panels within China: global companies with a presence in the region and local providers.

Global providers' panels are typically of a good or moderate quality. However, they tend to be small and centralized around the top tier cities*, which have been ranked as such according to the Chinese central government's development priorities.

On the other hand, local panels are often of a moderate to low quality, but they are large and have a reach that extends to lower tier small and medium size cities. Once a project has a sample size of 200 or more and an Incidence rate of 5%, it is usually necessary to use a mix of global and local partners for recruitment.

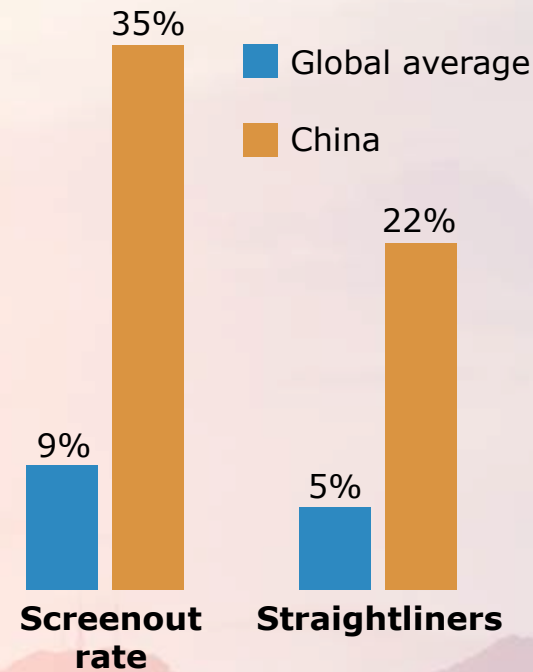
This is particularly important if there is a need for lower tier cities to be included, and to secure a good geographic distribution.

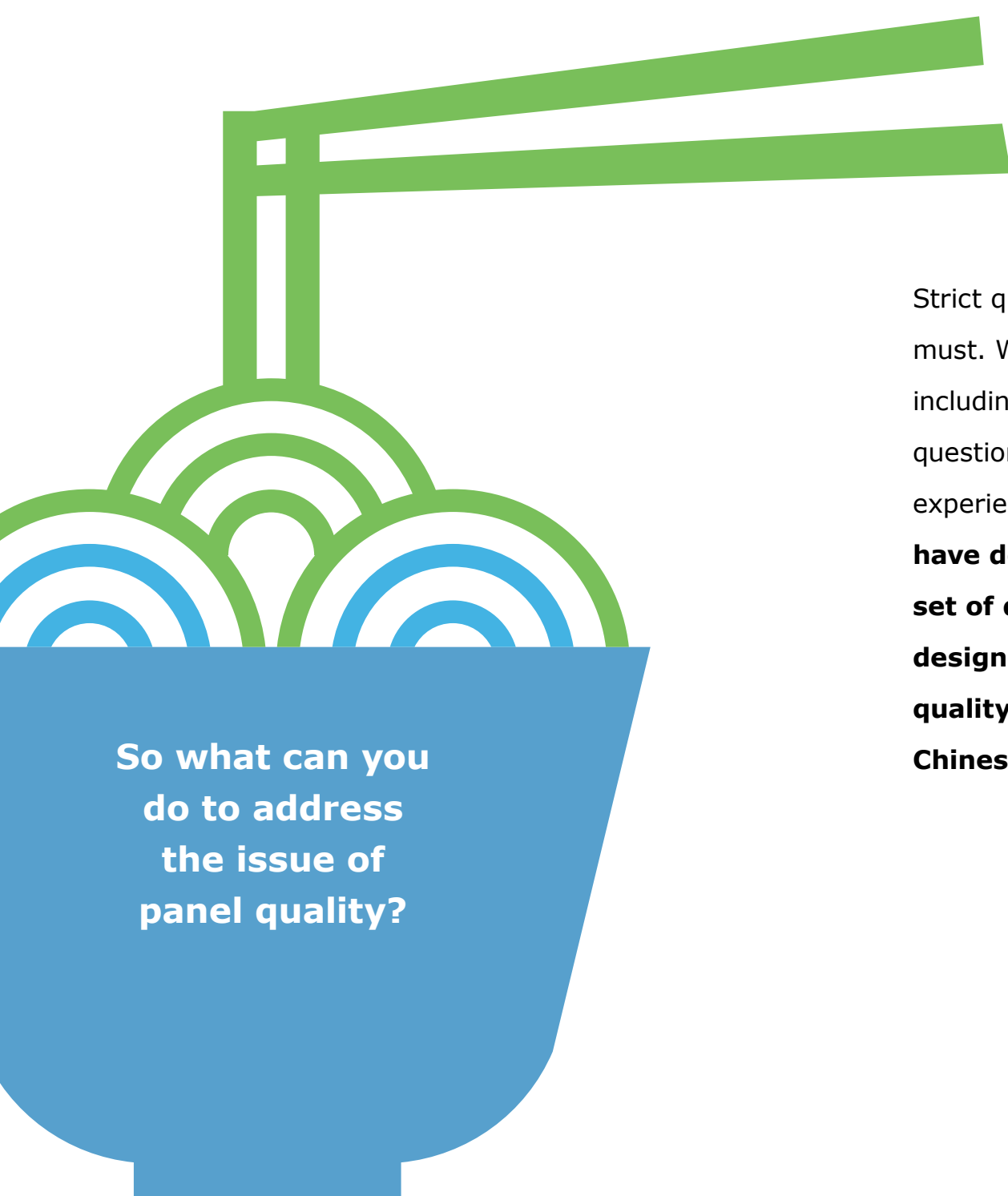
When we compare the results from our standard data cleaning process for large multi-country studies, we can make an assessment about the overall panel quality by country.

With a screen-out rate of 35% (compared to a global average of 9%) and more than four times as many straightliners (22% compared to a global average of just 5%), it is obvious that there are significant challenges around panel quality in China.

As every researcher knows, the quality of research insights can only be as good as the data they are based on.

Assessing overall panel quality





So what can you
do to address
the issue of
panel quality?

Strict quality measures are a must. We recommend always including specific control questions. After extensive experience in the region, **we have developed a specific set of questions that are designed to screen out low quality respondents in the Chinese market.**

This tried and tested approach has become standard practice for us when conducting research in China. And it has had a dramatic impact on panel and consequently data quality.

It's a fact that the best quality online panels have been recruited in the top tier cities. But if you want to get a more representative view of China as a whole, then you need to recruit panels from the metro cities, rural cities and regions, from every point on the compass.

In practice this means that, whether you like it or not, you do need to use lower quality panels in order to reach the lower tier cities.

Quality measures are therefore paramount in order to improve the reliability of your sample. In some cases, it may be necessary to use a mix of on and offline recruitment in order to ensure your panel is representative.

As in other large regions, you need to ensure that regional differences in China are acknowledged and taken into account in the research design.

One mistake that Western researchers often make is to treat China as a single region. China should no less be treated as one monolithic market than the US should, so plan accordingly.





Combatting cultural differences in research



Two main cultural differences trouble researchers attempting to research the Chinese market:
social desirability and claimed ownership.

Left unchecked, each of these has the ability to entirely distort a piece of research. This can render it completely meaningless at best and deeply misleading at worst.



The phenomenon of social desirability

Research has shown that self-administered questionnaires are less prone to social desirability than interviewer-administered questionnaires.

Furthermore, web surveys are more effective at eliciting sensitive information than computer-assisted telephone interviewing (CATI) or interactive voice response (IVR) research.

When it comes to asking consumer questions, we know that full online surveys are best positioned to tackle the social desirability challenge in China.

For this reason, online questionnaires should typically be the first tool in the researcher's toolkit when considering this market.

Broadly speaking, there are two types of measurement: stated attitudinal measures, whereby respondents are asked what they think, and passive observation measures, which involve evaluating respondents' behavior.

When considering attitudinal measures, researchers must be aware that Chinese respondents are consistently inclined to agree with given statements and questions.

This phenomenon is culturally specific, and one which researchers ignore at their peril.

Our Copy Test benchmark shows that Chinese respondents tend to answer more positively by a factor of 1.5 on attitudinal measures.

Social desirability:

Passive observation vs. stated measures



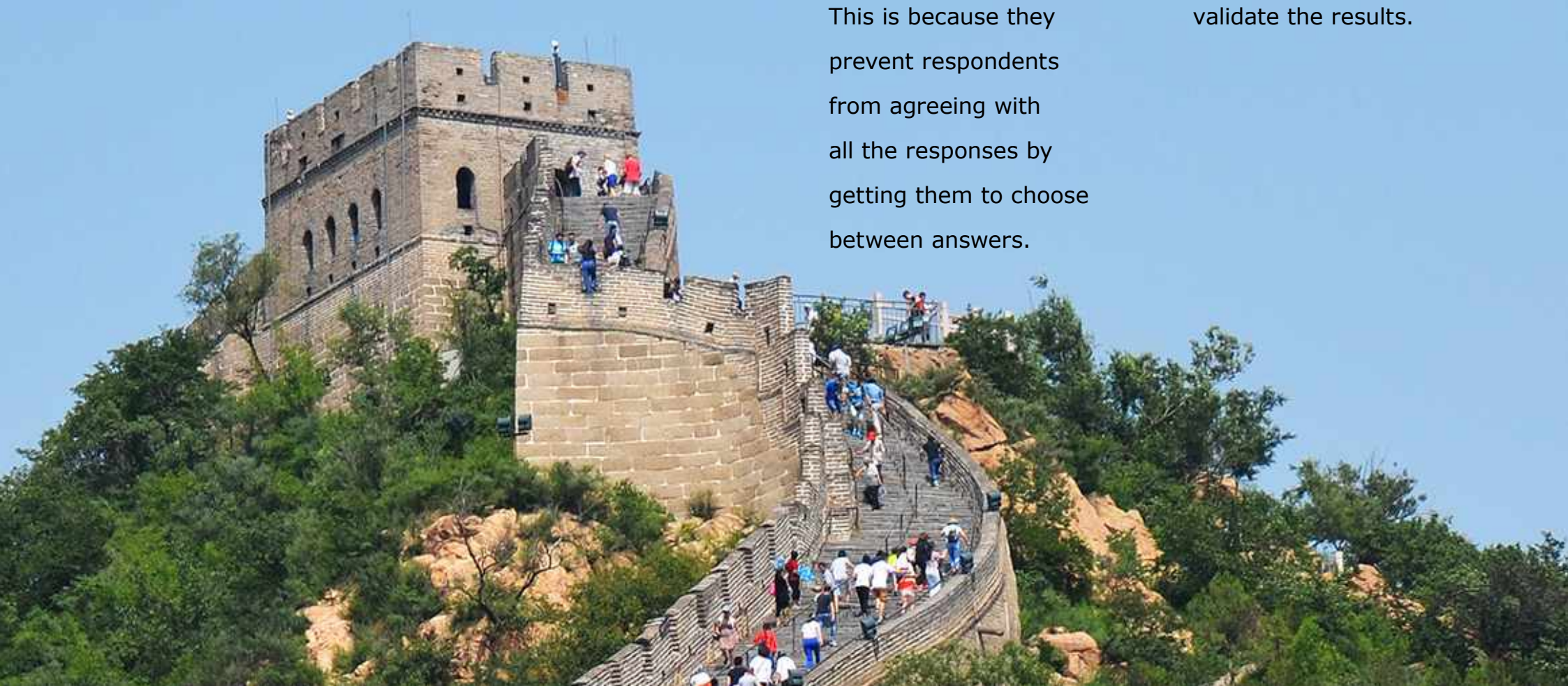
To counteract the impact of this bias, researchers must focus on factual measures and make as little use of self-reported data as possible.

1. Instead, use passive measures such as shelf browsing, T-scope, reel and online eye tracking wherever possible to learn about respondent behavior.

2. Where passive measures are not suitable, choice-based questions such as MaxDiff, image pickers and rankings are preferable.

3. If self-reported measures are required, make sure that you use a local benchmark so that you can assess performance in the appropriate context and validate the results.

This is because they prevent respondents from agreeing with all the responses by getting them to choose between answers.



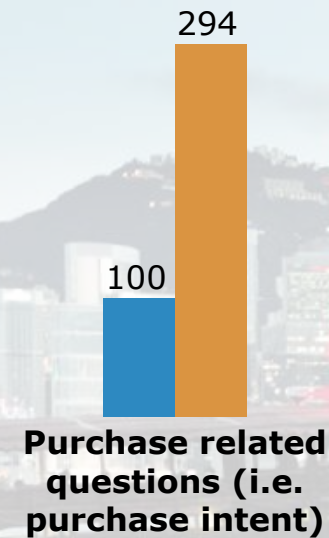
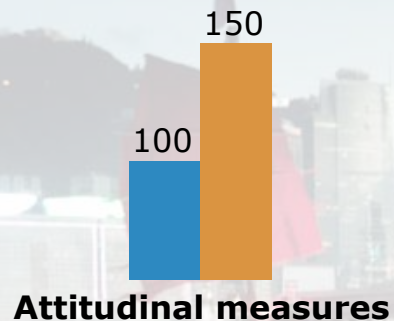
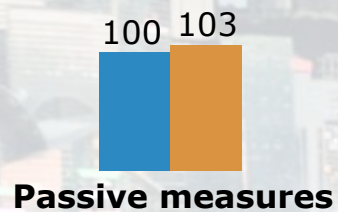
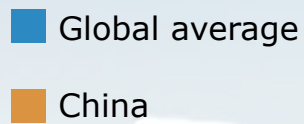


Be wary of claimed ownership

Just as the Chinese have a strong bias towards social desirability, so they also have a significant tendency to answer purchase-related questions positively.

Our Copy Test benchmark indicates that **Chinese respondents' claimed purchase intent is three times the global average.**

Claimed purchase intent: China vs. global average



One of the first challenges around purchase related questions is to work out exactly what products Chinese consumers do and don't actually own.

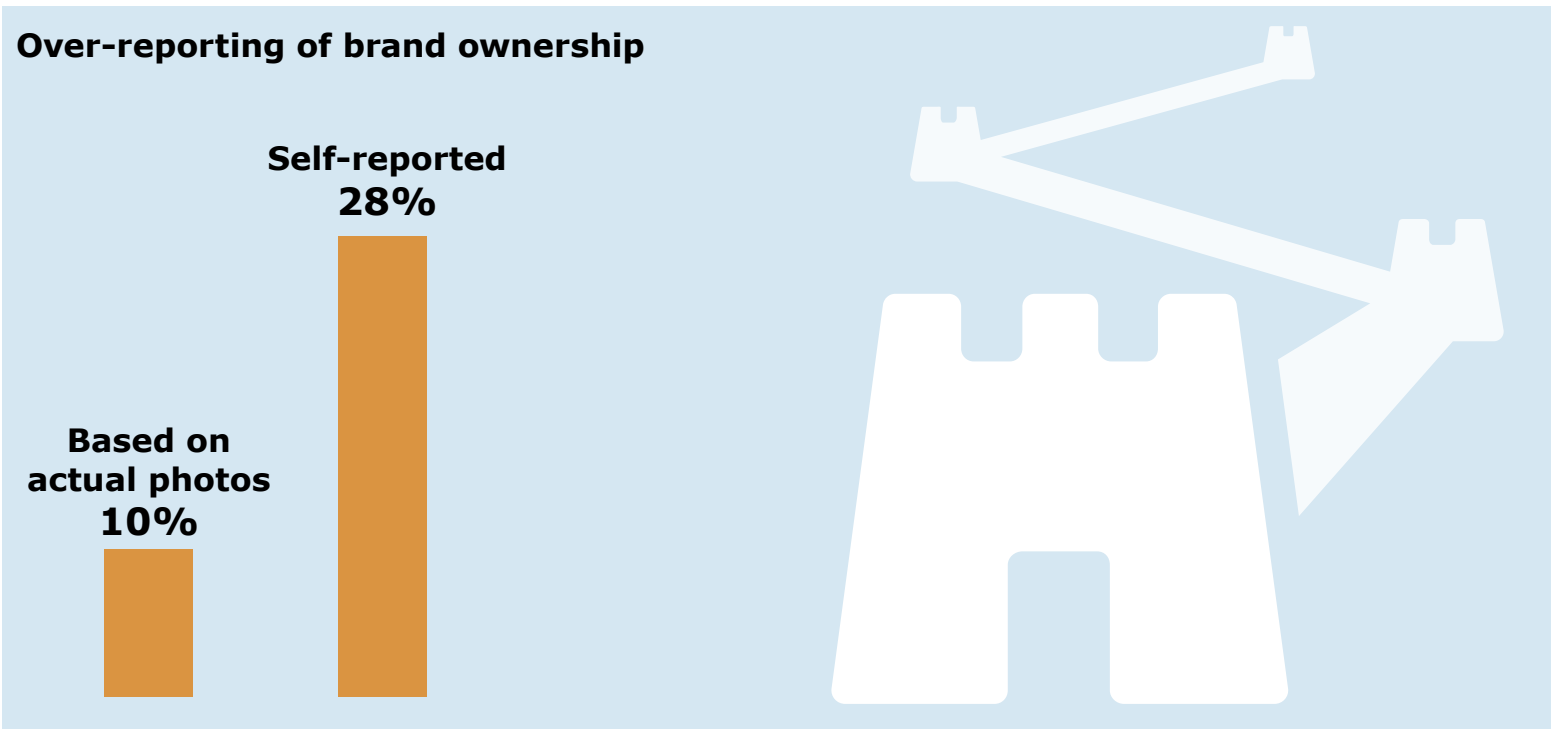
In order to understand this issue better, we conducted an experiment to test the hypothesis that Chinese respondents over-report brand ownership.

We asked one group of Chinese respondents to upload a picture of the facial skincare products that they own.

At the same time, a second group of respondents was asked to report which brands/products they own.



The findings indicated that brand ownership was over-reported by the self-reporting group. By analyzing the photos uploaded by the first group, we discovered that 10% of respondents owned a Philips product. In the group that self-reported, this figure was almost three times higher at 28%.



Given the Chinese's tendency to over-report brand ownership, researchers need to apply their knowledge to ensure that results are not incorrectly skewed.

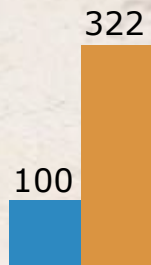
We have devised smart in-survey control measures that correct the inaccurate indication of brand ownership for this reason. Such measures are essential in order to generate valid results.

This is particularly relevant in shopper studies, and usage and attitude (U&A) studies, where it is necessary to filter 'real' owners of a specific brand or product from 'claimed' owners.

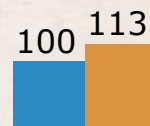
Smart in-survey checks can correct over-reporting

Brand ownership of product

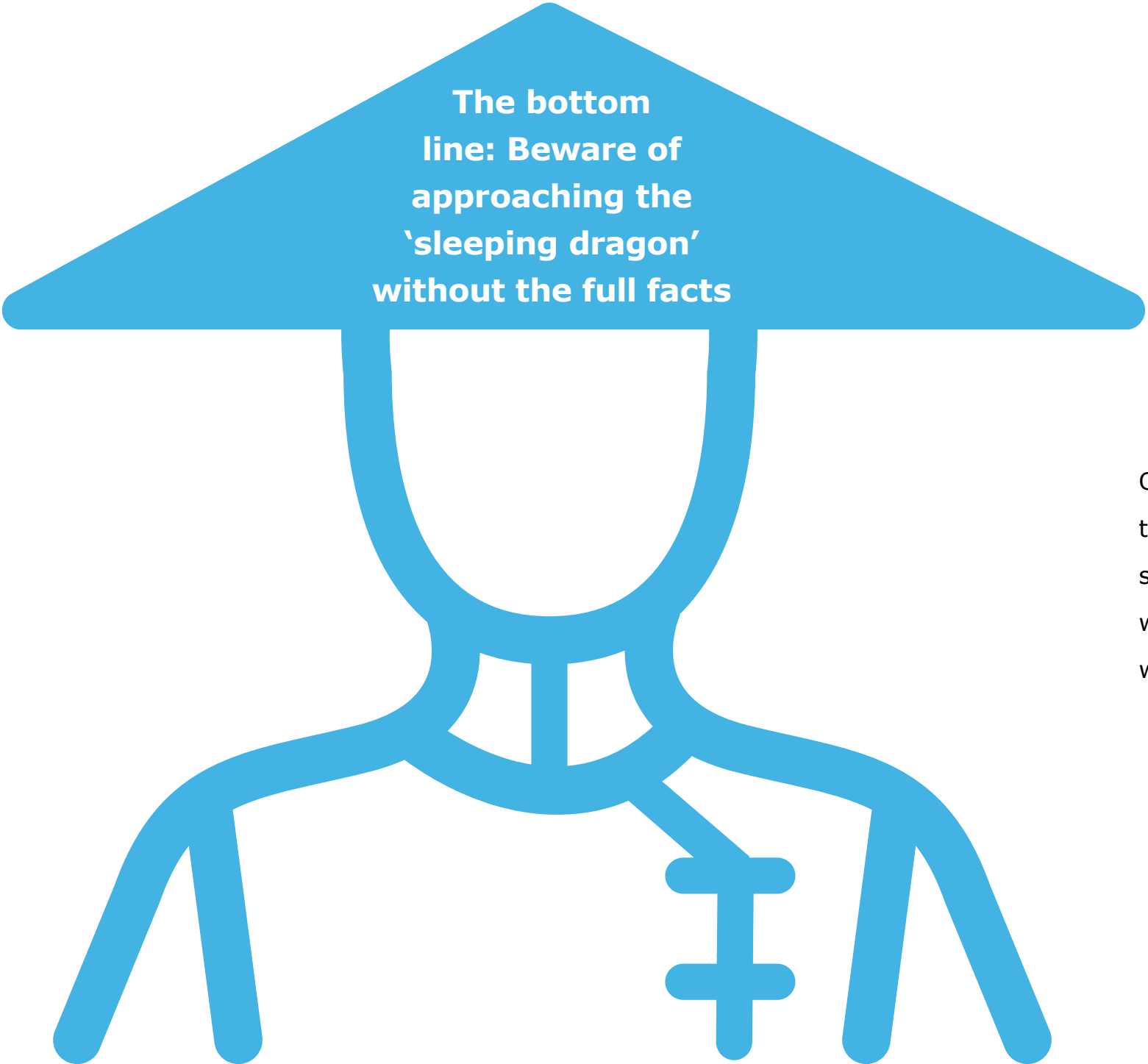
Without control measures, brand ownership is three times as high



With MetrixLab control measures, brand ownership is in line with market share



■ Global average
■ China



**The bottom
line: Beware of
approaching the
'sleeping dragon'
without the full facts**

Our experience in researching the Chinese market clearly shows that this is a country where researchers need to work hard to reach the truth.

Cultural differences, geography and social attitudes all conspire to create a situation where consumers' responses, however well intentioned, must not be taken at face value.

The old adage about insights only being as good as the data they are based on is true.

But, as we have shown, there are a number of systemic challenges that must be overcome in each and every research brief if the resulting insights are to have any true commercial value.



Authors



Roeland Woudstra

Client Director

The Netherlands



Clare Chai

Managing Director

China

Learn more

Discover how we can get you closer to the truth of the Chinese market – and make that intelligence count.

Visit www.metrixlab.com
or contact us at
info@metrixlab.com

About MetrixLab

MetrixLab, a Macromill Group company, is the fastest growing provider of market and consumer insights. With 1,700 research experts in 34 offices worldwide, we turn data from online surveys, social media and enterprise systems into valuable business information and actionable consumer insights. This helps leading companies drive product innovation, brand engagement and customer value.