



Press Release

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Smarter, richer, but not necessarily happier: Hong Kongers nine years on

Since its launch in 2006, the Ipsos Media Atlas survey continues to reveal the media consumption, attitudes and lifestyle habits of Hong Kong consumers. Nine years on, we compared the 2006 survey results with this year's to reveal the evolution of Hong Kong consumers.

The 2014 Ipsos Media Atlas Hong Kong study surveyed all people aged 12-64 in Hong Kong. The survey is conducted year-round, and Ipsos spoke with 5,026 people to obtain the latest data, which covers January to December 2014.

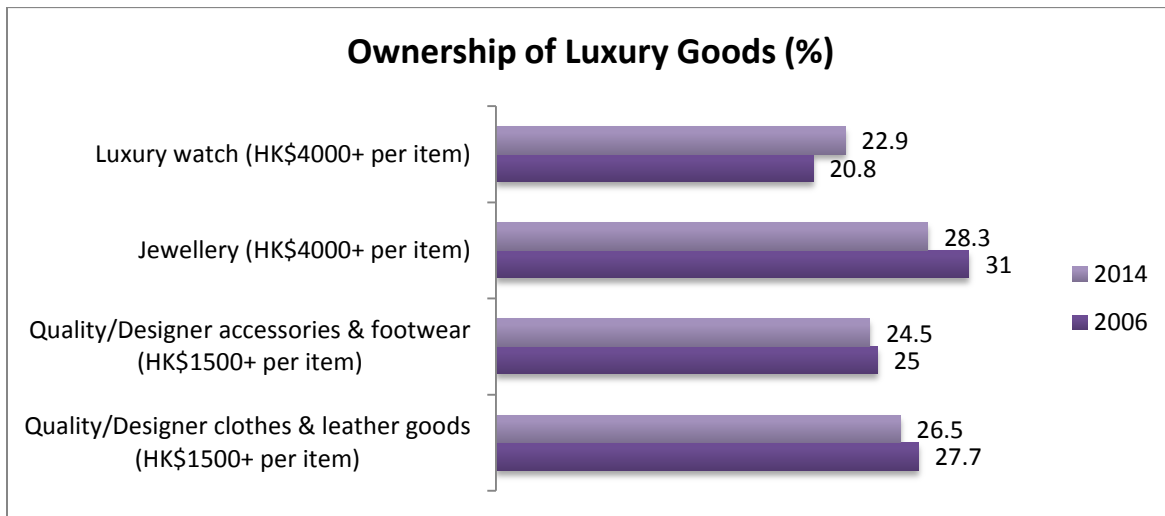
Since 2006, the mean monthly household income in Hong Kong has risen by 24%, from HK\$ 27,246 to HK\$ 33,704. During the same period, the proportion of people working full time (from 64% to 65.5%) or part time (7.7% to 7.8%) has remained stable. In the meantime ownership of private property only slowly increased from 43% to 46%.

The level of education, however, saw a drastic increase: in 2006, over a quarter (26%) of people in Hong Kong had 'No formal schooling' or had only reached primary school level. In 2014, their proportion has decreased to 15%. At the same time, university graduates have almost doubled from 13% to 21%.

As well as being more educated, Hong Kongers are also more open to the world, with 60% saying that 'it is important to have an international perspective', against 54% in 2006.

A mature luxury market

The evolution of luxury consumption in Hong Kong had effectively already peaked nine years ago for Hong Kongers, and has stalled since. Clare Lui, Executive Director for Ipsos Connect, says: "The indulgence in luxury is certainly not a recent phenomenon; and in the last few years we've seen increasing attention being paid also to quality. So, instead of blindly splurging on brand names, consumers nowadays also dedicate a considerable part of the purchase decision to quality consideration."



The modest increase in ownership for some categories is balanced by a similar decline in others. This shouldn't mask the fact that the overall consumption levels remain very high for general population, showing that luxury consumption is entrenched as an old habit for locals - well before the mainland shopper luxury craze. Over the past 9 years, the proportion of people ready to pay extra for quality has even increased slightly, from 53% to 56%. However, less than a third of Hong Kongers now agree with this sacred local saying: "I enjoy the fun of shopping" (down from 35% to 30%).

Lui adds: "While the fun of physical shopping can be challenged with the crowdedness that is seen in major shopping districts, the increasing convenience of online shopping can also be a contributor to the decline in the fun index. Almost all medium to high end brands offer online shopping (and shipping) these days so consumers, with a quick browse and a few clicks, can get their hands on desired products. It's true that the fun might be less--but what consumers end up having is a bit more time for other - perhaps equally important - tasks."

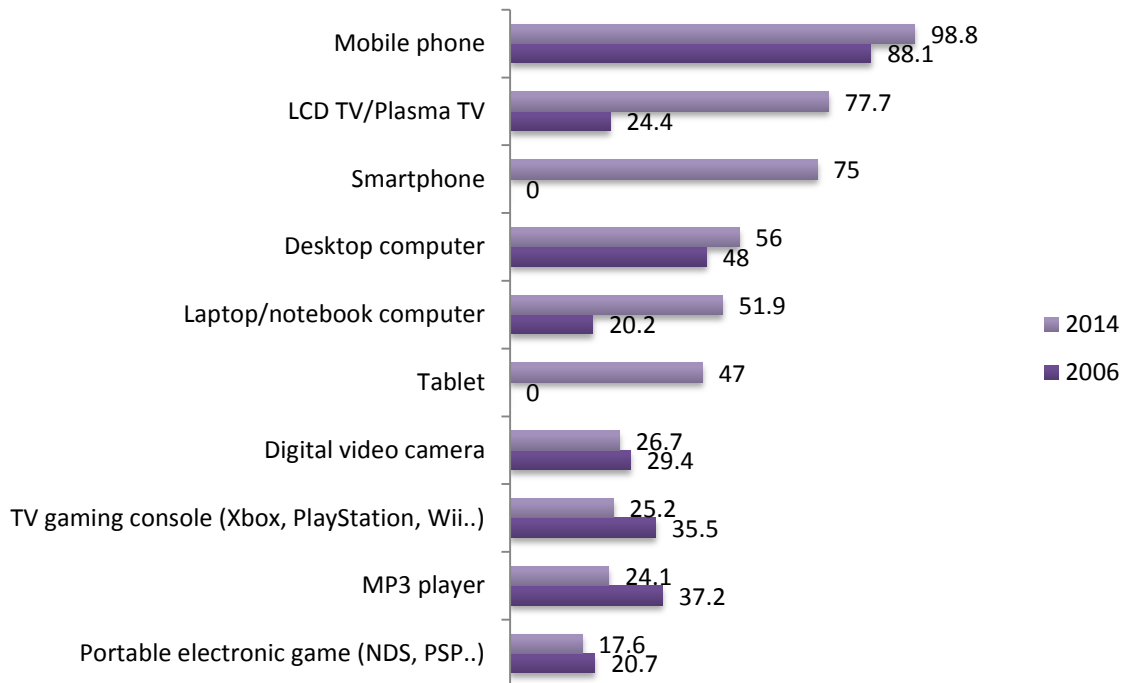
While they are still keen to purchase luxury goods, Hong Kongers appear less keen on buying cars, with car ownership declining from 18% to 14% in the past nine years.

Digital makeover

2006 results of the survey demonstrate how quickly Hong Kongers adapted to the new digital times: in 2006, only 20% of people in HK owned a laptop, against 52% today. If 88% had a mobile phone already then, 99% own one today, including 75% owning a smartphone. In addition, 47% already own a tablet and 77% own a LCD or Plasma TV (against 24% in 2006).

These new devices have pushed others aside however: MP3 players (from 37% to 24%), portable gaming devices (from 21% to 18%) or even DVD players (from 78% to 66%) are all slowly fading. Interestingly, even TV gaming consoles such as Xbox are seeing a decline, from 36% to 25%.

Ownership of Technological Goods (in %)



Shifts in media consumption

Driven by the increase of connected devices, internet access has also been rising steadily in Hong Kong since 2006. 71% of people are now connected daily instead of 46% in 2006. Yet, against the proliferation of new devices and digital revolution, TV has proven the most resilient medium: 87% still watch it daily, against 90% nine years ago. On average, people still spend over 2 hours (127 minutes) watching TV each day, against 149 minutes in 2006. Daily newspapers have also resisted well (from 76% to 64%) thanks to the steady rise of free dailies in HK (from 28% to 35%).

Weekly magazines however have struggled against the omnipresence of the internet. Weeklies' consumption had declined from 46% to 29%. Average time spent on radio listening has dropped from 100 minutes to 84 minutes.

Lui concludes: "With an established digital infrastructure in place, Hong Kongers can enjoy being at the forefront of technology adoption. The increased ownership of smartphones and tablets implies that media consumption can be done anywhere, anytime. Advertisers and marketers need to deep dive into understanding the media consumption characteristics of their target consumers so as to come up with the most effective decisions for advertising budget allocation."



About Ipsos Media Atlas

This 9th annual Ipsos Media Atlas Hong Kong study captures a complete cross section of society, revealing the media consumption, attitudes and lifestyles of Hong Kong consumers. It covers 5,026 Hong Kong respondents aged 12 to 64 in January to December 2014. The Ipsos Media Atlas Hong Kong study tracks: 1. Media consumption, product ownership, attitudes and values using computer assisted telephone interviews (CATI). 2. Brand, spending pattern and lifestyle insights using online and offline data collection. Ipsos works closely with major media specialists, media owners and advertisers in Hong Kong to develop surveys relevant to local applications.

All comparisons between results of 2006 and 2014 are performed amongst those aged 18 to 64.

About Ipsos

Founded in France in 1975, Ipsos is the only independent market research company that is controlled and managed by research professionals. In October 2011 Ipsos completed the acquisition of Synovate. The combination forms the world's third largest market research company.

With offices in 84 countries, Ipsos has the resources to conduct research wherever in the world our clients do business.

Working both on a global scale and in local markets, our expert teams give our clients the benefit of high value added business solutions including qualitative, forecasting, modeling, market knowledge and consumer insights.

Ipsos professionals deliver insightful expertise across six research specialisations: advertising, customer loyalty, marketing, media, public affairs research, and survey management.

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