

Comparative analysis of trends in Russian, Chinese and American consumer behavior in the digital environment

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Abstract — In this paper we described the main trends of consumer behavior in the conditions of digitalization of the economy in Russia, the United States and China, the drivers of development of marketing theory and practice and the questions for further research are identified. We are convinced that the transformation of consumer behaviour necessitates the urgent need for qualitative changes in the work of marketers through the use of artificial intelligence tools, the ability to collect and process large amounts of data, as well as omnichannel communication with consumers.

Keywords — *marketing, consumer behavior, digitalization, consumer behavior trends,; consumer behavior in the Internet environment.*

I. INTRODUCTION

The authors share the position of A. Sharonov [9], who claims that the current socio-economic situation is fully consistent and is described by the acronym VUCA (from the English words volatility, uncertainty, complexity and ambiguity). Digitalization covers 75% of the population which exceeds the provision of humanity with clean water, the cost of storing information decreases, and its amount increases, as well as the speed of access to it, new channels and interaction tools appear. The foregoing leads both to the emergence of a new type of consumer, and to a change in the principles of doing business.

Note that in such conditions, marketers are forced not only to more carefully, using SMM tools, analyze consumer behavior, but also to develop new multidisciplinary tools for such an analysis. The aim of this work is to describe the main trends in consumer behavior of Russians, as well as conduct a comparative analysis of such trends in the USA and China. The choice of these countries is due to the fact that researchers note that the United States and China in 2017-2020 will account for approximately 47% of all media investments, and the five leaders of Internet companies that increased their share from 67% to 72% in two years - Google, Facebook, Baidu, Alibaba, Tencent - belong, in particular, to these countries.

II. MATERIAL AND METHODS

In order to identify the main consumer trends in the designated territories, we have studied the following materials:

- analytic data on consumer behavior of research agencies and companies Delphi, PwC, Nielsen;
- the work of theorists and practitioners of various branches of socio-humanitarian knowledge, in which the subject of analysis is the problem of consumer behavior I.V., Aleshina, A. Kapustina, V.V. Radaeva, V.V. Chashchina and others.
- studies by M. Shandstrom, S. Hjelm-Lindhom and A. Radon allowing to conclude consumer behavior and shopping, as a result of boredom;
- study of Yuldasheva O.U. and Smirnova E.A. on current trends in consumer behavior of Russians;
- Gerasimenko V.V. and Alexandrovskaya M. in their studies identified the trends in marketing activity, caused, on the one hand, by the transformation of consumer behavior, and on the other, by the introduction and improvement of technologies;
- official statistics allowed to determine the prevalence of digitalization and gadgetization in the countries under consideration;
- US and China consumer behavior trends identified based on works of G. Dudarenka, a research agency PushOn, reports the results of an annual report published by Ford.

III. RESULT AND DISCUSSIONS

Global trends in consumer behavior are noted in a study conducted by experts of the marketing agency Delphi. Thus, the paper presents TOP-16 global consumer trends in 2018 [1]:

1) "The consumer is rational" is interpreted by the authors as the fact that, despite improving welfare, overcoming the crisis and the ability to purchase goods in ordinary stores, consumers continue to actively use discounters and monitor promotions and special offers;

2) “Consumption security”, which means an attempt to take control of life, using planners, Smart Home applications, gadgets for monitoring health, as well as adhering to the consumption of well-known products;

3) “Always in touch” - blurring the boundaries between online and offline spaces;

4) “Active consumer” is an instant and public expression of one’s own opinion about goods and services, companies. Such a consumer is ready to fight and defend his innocence more actively than before;

5) The “skeptical consumer” prefers to purchase craft products not trusting the mass-market line;

6) The “informed consumer” (in other sources, this trend is referred to as “ethical consumption”) feels guilty when he/she harms the environment with its actions. Such a consumer is responsible for maintaining the environment, own health, and ethical standards in the production and consumption of products;

7) “Smart consumption”, which means saving money, time and nerves. Smart consumption-oriented consumers seek to learn and share life hacks;

8) For several years now, HLS has always been in the TOP of consumer trends, especially among young people and millennials;

9) “Refusal of ideal images” - the consumer is looking for brands that will not differ much from real life;

10) “Pamper yourself as a loved one,” the authors explain that, despite a commitment to healthy lifestyle, consumers sometimes want to take a break and include in the diet a little something not very healthy, but tasty;

11) “Kidulting” involves a mixture of two worlds: adult and child. Brands moving in this direction will be successful among consumer millennials;

12) “Personalization” of healthy diet products based on data obtained by DNA analysis;

13) “Priority of impressions” updates the topics of the economics of impressions and impression management. The consumer pays less attention to material values, giving preference to emotions;

14) “Consumer support” is necessary in the conditions of distrust of companies; feedback on social networks and the exchange of consumer experience have more weight when making decisions;

15) “Shared consumption” - second-hand, the neighbor’s exchange of things is gaining new strength, car sharing and rental are actively developing;

16) “The importance of the home” is increasing due to the increase in the pace of life and the uncertainty of the environment, the house is perceived by consumers as a place where they can find peace and remain themselves.

In addition, the conditions of the western infrastructure, legal framework and the desire for widespread gadgetization of the population determine the emergence and distribution of last-mile delivery using drones. According to reports by the US Department of Commerce, in 2018 online retail grew by 300%, and the number of physical stores, starting in the 50s of the last century, almost halved [5]. In Russia, experts also note

the rapid growth of online purchases in key product categories. However, this does not mean the end of retailers. So, the PushOn agency notes that for US consumers, in 80% of cases it is safer and more comfortable to visit a physical store when it comes to expensive goods. The same trend is also characteristic of Russian consumers. The importance of omnichannel is emphasized by consumers who want to be as knowledgeable as possible about a product or service. So, Forbes records the growth of ROPO (Research Online / Purchase Offline) [4].

Note the significant differences in the technological equipment of European stores from Russian: Thus, technologies are being actively developed and implemented that allow not to scan the goods at all, but simply put them in bags and go home, accounting and payment for the goods is done automatically. Start-up Moby Mart is a store on wheels, which itself comes to the buyer when he calls it, staff and cash desks are also absent.

Chinese consumers are actively and fairly evenly using all possible platforms: marketplaces, online hypermarkets, single-brand online stores, both Chinese and foreign, offline stores. However, the share of consumers who prefer offline stores from 2012 to 2017 fell by 14.2%, while in other countries this indicator does not exceed 10%. Chinese consumers pay particular attention to personal hygiene and personal care. The volume of entertainment and tourism services, fitness clubs, spas and karaoke is growing, people have begun to buy less chocolate, chewing gum, beer, juice and cookies in China. A distinctive feature is the online activity of Chinese consumers over the age of 60 years - the share of online purchases in this group over the past year has increased by 11%. It is noteworthy that the most influential when making a purchase decision are celebrities and bloggers [2].

In order to identify the characteristics of consumer behavior in Russia, several sources were analyzed. At the end of 2018, PwC Russia published the results of the study “The Digital Revolution Defines Consumer Habits”, conducted from August to October 2017, which demonstrates changes in consumer behavior, the most interesting authors of the work are the following [6]:

1) The growing influence of social networks on the purchasing decision-making process, with a decrease in this influence from the retailer’s sites, a graphic image of this trend is presented in the figure

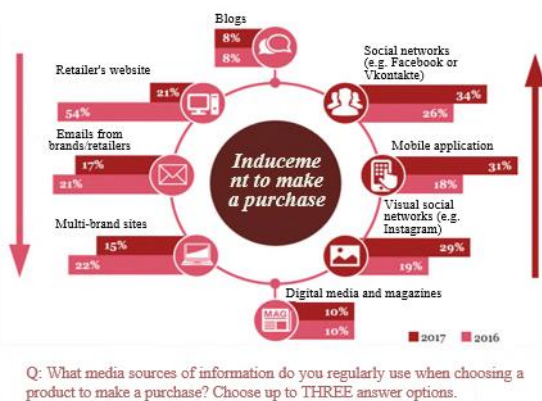


Fig. 1. The influence of media sources on the purchasing decision process

Note that this trend is more reminiscent of American and European consumer behaviour. Which is confirmed in other research reports. At the same time, consumers from China do not note the significant impact of social networks on their purchasing decisions.

2) A significant increase in regular online purchases made through a smartphone - if in 2014 only 36% of respondents gave a positive answer, then in 2017, 63%. (Fig. 2).

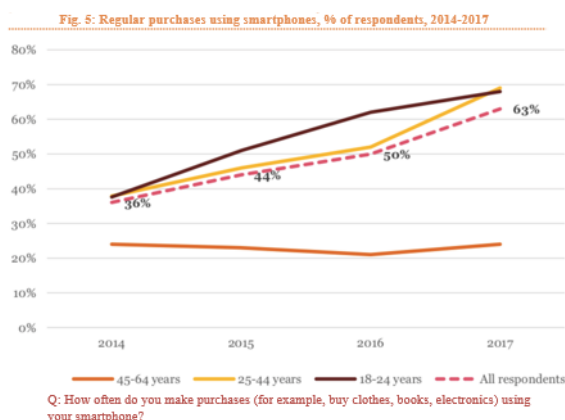


Fig. 2. Number of respondents who shop online regularly [6]

In this case, Russian consumers stand apart from residents of other countries under consideration - even though the proportion of consumers aged 45-64 who shop online is growing, but not as intensively as in other countries.

Combining these trends with the findings presented by a group of Swedish researchers - M. Schandstrom, S. Hjelm-Lindholm and A. Radon - in the work "Stop boredom by clicking - the study of the buying behavior of fashionable things online" [10], that the modern buyer is in the multi-screen (multi-screen) mode during the shopping process, that is, he watches TV at the same time, surfs the computer and writes in social networks from the phone, we can also see an increase in the impulsiveness of shopping in the online environment. Thus, the consumer finds himself in a situation where the criticality level of his thinking is significantly reduced due to the "torn" attention between several screens and communication events. In this case, the effectiveness of

the marketing impact produced through social networks increases dramatically, and the smartphone, with which the consumer is becoming more familiar with shopping, is already in the hands.

Agreeing with the expert analytical conclusion following the results of the business program sessions of the St. Petersburg International Economic Forum 2018 Yuldasheva O.U. and Smirnova E.A., presented by the report "Consumer of tomorrow: How to gain trust?" [7], we note the following trends in consumer behavior:

- "Growing consumer commitment to a healthy lifestyle;
- rapid digitalization of consumer behavior;
- demand for lively communication, socialization, and ownership;
- demand for meaning and personal development;
- transformation of information channels and personalization of information;
- the rise of prosumer".

IV. CONCLUSION

On the other hand, it should be noted the fundamental trends for the transformation and improvement of the work of marketers, presented in the work of V. Gerasimenko "Digital transformation of markets and marketing" [8]. Separating the position of the author, we emphasize:

- the importance of using artificial intelligence in the study of consumer behavior on the Internet, which allows to process large amounts of data, as well as the nuances of consumer behavior inaccessible to offline observation;
- the importance of omnichannel in terms of impact on the consumer both online and offline;
- a decrease in the importance of the company's physical, underlying assets, such as physical stores, warehouses, etc. Many services go to outsourcing, while some lose their importance due to the possibility of transporting goods from the manufacturer directly to the final consumer. Combining this trend with the "prosumer uplift" indicated earlier, one can also note the growing relevance of production by the pull principle;
- reduction of human-human interaction due to the inclusion of chatbots, both text and voice, in the process of providing a trading service.

At the same time, we note our fundamental disagreement with the position of "crowding out marketers with artificial intelligence". Perhaps this is the future, but not the near one, since artificial intelligence today has a number of limitations compared to human work in terms of creative activities, insights, and synergy effects when working as a team or project team.

To summarize, we highlight the following generalized trends in consumer behavior in the Internet environment:

- regular presence in a multi-screen state;
- a growing commitment to healthy living and ethical consumption;
- Digitalization growth of both consumer behavior and business processes of companies and regional infrastructure;
- increased confidence in communities while reducing the degree of influence on consumer decision-making from retailer sites;
- the demand for socialization and ownership, which in turn increases the demonstrative nature of consumer buying behavior, involved in various social networks and communities in them;
- demand for meaning and personal development;
- transformation of information acquisition channels and an attempt to filter an ever-increasing number of received signals;
- the rise of prosumerism, including as a new communication tool;
- decrease in overall satisfaction with physical stores while increasing the value of live communication.

We are convinced that the transformation of consumer behavior necessitates qualitative changes in the work of marketers, based on the use of artificial intelligence tools, the ability to collect and process large amounts of data, as well as omnichannel communications with consumers.

These findings also allow to ask questions for future research on consumer behavior on the Internet:

- 1) What are the mechanisms for satisfying the need for demonstrative consumer behavior?
- 2) Prospects for the development of demand for "meaning and personal development"?

3) Is it possible to "calculate" such a characteristic as trust through the use of more detailed information obtained through software on the network?

4) How to manage trust in a digital environment?

5) How are the nature of consumer emotions transformed and when making a purchase or other interaction with the company on the Internet?

6) How do social networks and the use of smartphones for online shopping affect the impulsiveness of consumer behavior?

7) Opportunities for transforming marketing research tools and segmentation specifics?

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