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Segmenting China's digital consumers

Marketing successfully to China's soaring population of Internet users will require specific knowledge about how they employ applications and devices.



China could have as many as 750 million people online by 2015, up from 420 million today, McKinsey research estimates. Who are these Internet users? Which applications drive them online, and what makes them stay there? Which devices are they using, and how will that change over time? Marketers seeking to reach China's swelling population need these details to make informed business decisions.

The McKinsey report *Understanding China's Digital Consumers* attempts to fill the information gap. In 2010, we surveyed more than 5,000 of these consumers in upward of 20 Chinese cities. In addition to collecting basic demographic data, we asked the respondents questions that helped us assess two critical dimensions of their digital personas. The first was how much time consumers spend on digital devices (such as mobile phones and smart phones, PCs, TVs, and game consoles) and how they allocate their time among various applications (e-mail, instant messaging, games). The second dimension was how much money consumers spend on digital devices and applications.

Our research revealed seven consumer segments, with widely varying usage patterns and preferences for digital applications and devices (exhibit). The largest segment, the "traditionalists," comprises a whopping 125 million consumers, who still spend a large portion of their media time on traditional forms such as television and are less likely to own, or want to own, other digital devices. They are less educated than the rest of the Internet users, and many live in smaller cities.

Exhibit

Different segments of consumers in China vary widely in their use of digital applications and devices.

% of respondents, n = 4,866

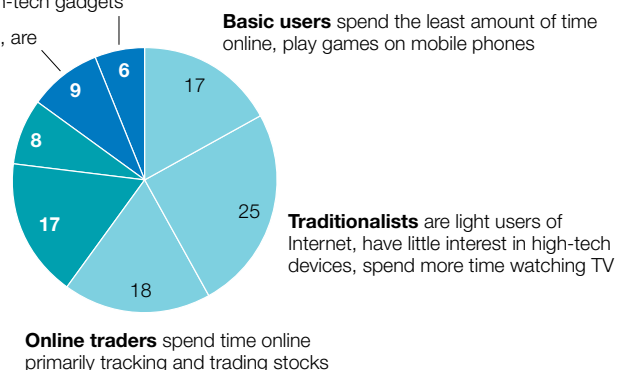
Time spent on digital media
 ■ Light users: <14 hours per week ■ Moderate users: 14–28 hours per week ■ Heavy users: >28 hours per week

Digital junkies spend more than twice as much time online as all other segments, are early adopters of high-tech gadgets

Gamers spend the most time on PC games, are heavy users of social networks

Mobile mavens are heavy mobile-Internet users, prefer listening to music and reading

Info-centrics look for information to increase productivity at work, prefer PCs



Source: Jan 2010 McKinsey survey of >5,000 digital consumers in China

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Even the smallest segment, the “digital junkies,” has 25 million of the planet’s most intensive Internet users. They spend more than 34 hours a week with digital media, compared with an average of 15.8 hours for all users. People in this segment are young and always on the lookout for the latest gadget; more than 25 percent of them live in one of China’s four biggest cities.

Whether it’s applications, digital devices, or e-commerce business models, no one size fits all in China. The substantial differences among the country’s digital consumers show that marketers must develop tailored offerings for them.

Download the full report on the McKinsey & Company Web site. [○](#)