

Chinese Urban Income Reaches \$5,000 in First-Tier Cities, according to Pearl Research

San Francisco, CA, June 12, 2008- Consulting firm Pearl Research today released “The Phoenix Generation: Insights into Chinese Consumers” a comprehensive lifestyle study focused on Chinese consumers ages 16 to 30. Pearl Research’s study covers Internet and technology product adoption and trends; lifestyle trends such as the growth of hip-hop, street basketball and the NBA. The study also provides exclusive consumer segmentation and an analysis of the Chinese middle-class.

Key findings include:

- **Popular Trends:** Street basketball, the National Basketball Association (NBA) and hip-hop have grown in popularity as Chinese consumers embrace new cultural experiences. Pearl Research takes a deep dive into these segments with ethnographic research and how marketers have leveraged these trends to connect with Chinese consumers. Brands such as Nike, Adidas and Li Ning have benefited from this as Chinese youth aspire to look like their favorite sports stars.
- **Internet and Online Games Trends** – China has more than 210 million internet users making it the largest Internet population worldwide. However, Internet usage in China tends to differ as 100 million of these users are under the age of 25, thus are more likely to seek out entertainment content. Based on Pearl Research’s online survey, online gaming (60%) and chatting (65%) were cited as top reasons to go online. Approximately 51% of our sample enjoyed playing multiplayer online games (MMORPGs) while casual games were equally popular at 44%.

Pearl Research’s survey includes data about monthly entertainment spend; mobile phone, MP3 and PC penetration; PlayStation 3, Xbox 360, Nintendo Wii hardware adoption and Internet café usage trends.

- **Consumer Segmentation** – Pearl Research has devised detailed consumer segmentation to understand the wide range of Chinese consumers. Urban incomes have reached \$5,000 in first-tier cities such as Shanghai and Beijing.

Allison Luong, Managing Director of Pearl Research, “As incomes rise in China, “Chuppies” or Chinese Yuppies are an increasingly common sight. Many place their savings into purchasing homes, cars, and investing in stocks and bonds. They are at the forefront of China’s burgeoning middle class and spending boom.”

- **Unique Websites:** Pearl Research has compiled a list of unique websites in China. These sites were selected based on their popularity and growth potential. Pearl Research has included Xiaonei.com, Blogchina.com, Sky-fire.com, and Dangdang.com, as some of the sites to watch.



The Phoenix Generation study is based on 200 in-depth one-on-one interviews across both first- and second-tier cities in China and more than 450 survey respondents. To acquire the report or to request a briefing, contact us at 415-738-7660 or email [research \(at\) pearlresearch.com](mailto:research@pearlresearch.com).

About Pearl Research

Pearl Research, a business intelligence and consulting firm, specializes in the Internet and technology markets with a special focus on emerging markets and platforms. Based in San Francisco and China, Pearl Research publishes in-depth research reports and provides customized research and consulting services. Visit <http://www.pearlresearch.com> or call 415-738-7660 for more information.

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