

Chinese Consumer Preference to Foreign Brand Naming: A Comparison among the Hedonic, Utilitarian, and Non-hedonic/non-utilitarian Brand Naming Strategies

Ting-Jui Chou, Renmin University of China, PRC

Jing Zhou, Southwest Jiaotong University, PRC

Introduction

Chinese worship brands. According to the McKinsey 2008 Chinese Consumer Survey, Chinese are more likely to be brand-driven consumers than their counterparts Americans, Britons, and Japanese. For 66% of Chinese consumers, the intended brand was pre-decided before actual shopping. More than 28% of Chinese consumers reported the undying loyalty to their particular beloved brand. An extreme case is in the personal care category that only 11% of Chinese consumers had ever switched their habitual brand – a figure far below that was used to be in the western world.

Encouraged by the booming of Chinese market, and by recognizing the significant role of branding in Chinese buying behavior, western brands are invading flamingly this emerging market. The footprints of the world top 100 brands elected by the Interbrand (2008) are everywhere in China. One question thought, are they always successful in this highly promising but severely competing market? The answer might not be very optimistic. Take one example. Procter & Gamble is a highly respected American company in China. However, their very expensive one billion introduction of Zest (激爽) in the Chinese body wash market in 2002 was proved a significant failure in 2005. Of course, there are many possible reasons that can contribute to this brand failure. But apparently, an improper brand naming strategy can be the Achilles' heel that brings death of a thriving brand from another culture.

This study is about the strategic design of brand naming in Chinese market. We regard brand naming among the very basic and salient factors to form a proper cross-cultural branding strategy. We echo the idea that a global strategic thinking is a must for cross-linguistic and cross-cultural marketing (He 1999). We also agree

with Keller's (2003) assertion that consumers basically used the incarnated semantic meanings from brand names to judge, or to decide, the attributes and values of a product. Thus, the all important enquiry would be, to what degree, how much would the Chinese culture shed its impact upon brand preference of Chinese consumers, especially, with the consideration of the most explicit and direct component of a brand to the incumbent culture, the brand naming.

In fact, the brand perception and the brand preference of Chinese consumers can be influenced by the state of market modernization and economic development, and also by the embodied traditional Chinese culture. For the latter, take an example, "the middle way", or "the Doctrine of the Mean (中庸之道)", from ancient Confucianism has been internalized into every Chinese consumers as part of their value system and even their very deep personality. In this sense, the Chinese should develop a very unique view about brand naming and therefore moderate their liking to foreign brands. However, there is still a lack of studies into brand naming strategy in China. We have yet to understand what kind of brand naming strategy is more likely to enjoy a higher popularity by Chinese consumers? What are the key variables deciding Chinese consumers' perception and cognition of foreign brand? This study intends to bridge this gap. We choose consumer values (hedonic, utilitarian, and non-hedonic/non-utilitarian) to formulate our brand naming model to investigate which strategy is better able to explain consumers' preference to foreign brands in China.