

Credit and Loan Products - China - July 2014

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"In the near future, the biggest opportunity still lies in loans for financing large household purchases. Consumers want to have more say in the loan design, which is currently the biggest gap in the market."

— Ruyi Xu, Head of Research, China

This report looks at the following areas:

- What drives people's openness to borrowing?
- What are the opportunities to grow consumption loans?
- How to market loan products to young adults

"On the positive side, consumers are becoming more open-minded about borrowing money, in the sense that few think this is an embarrassing behaviour. Yet they still think borrowing should be the last resort and prefer to leverage savings or borrow from people they know. When it comes to the usage of credit cards, consumers are more positive about the flexibility they provide. However the usage behaviour shows that credit cards are still largely a money management tool rather than a source of finance to most card users.

Mintel research shows that there are a lot of business opportunities for financial service providers to better market their products and services, given the gaps in the market. With retailers keen to tap in to this by offering credit services, the future competition will not be limited to traditional service providers, namely banks. Those who are quick to understand consumers' changing attitudes and needs will have a better chance to capitalise on the growing business of consumer lending."

— Ruyi Xu, Head of Research, China

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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Demographic traits

Marketing perspective

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42% of the online population surveyed

Demographic traits

Marketing perspective

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