

# Consumer Attitudes towards Housing Needs - China - January 2019

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## This report looks at the following areas:

- Changes in the home buying and rental markets
- Make circumstance friendlier for tenants
- The current situation of property investment

This Report looks at China's current housing landscape and explores consumers' attitude towards housing needs, covering aspects such as rental, owning, and investment, specifically at what people expect from rented houses based on their demands and lifestyles, as well as properties bought for investment purposes and the factors investors take into consideration. The purpose of this Report is to reveal opportunities for further growth, both for real estate companies in a market that is cooling down and rental service companies who face severe competition.



"With government introduced guidelines to control housing speculation and develop the rental market, in 2018, a small amount of pent up rigid demand for housing has been released into house purchasing market, but there was no rise in renting."

– Anne Yin, Associate Research Analyst

## Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

## Table of Contents

### OVERVIEW

- What you need to know
- Covered in this Report
- Excluded
- Subgroup definitions (by Monthly Household Income)
- Subgroup definitions (by Monthly Personal Income)

### EXECUTIVE SUMMARY

- **The market**  
Figure 1: Area in square metres of residences and other commercial real estate sold, 2008–2018 (est)
- **Marketing**
- **The consumer**
- **87% have bought their own properties**  
Figure 2: Housing situation, October 2018
- **On average less than 30% of income spent on housing**  
Figure 3: Rental and mortgage expenditure, October 2018
- **More functions required in the living room**  
Figure 4: Living room function used most often, October 2018
- **Open-minded investors have wait-and-see attitude**  
Figure 5: Interest in property investment, October 2018
- **Investment mainly driven by future appreciation in value**  
Figure 6: Consideration factors for investment property purchasing, October 2018
- **Room for improvement in rental services**  
Figure 7: Area for improvement in rental services, October 2018
- **Level of rigid demand the same; tenants are less satisfied**  
Figure 8: Attitudes towards buying property and renting, October 2018
- **What we think**

### ISSUES AND INSIGHTS

- **Changes in the home buying and rental markets**
- **The facts**
- **The implications**
- **Make circumstance friendlier for tenants**
- **The facts**
- **The implications**
- **The current situation of property investment**
- **The facts**
- **The implications**

### What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

### Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100



## THE MARKET – WHAT YOU NEED TO KNOW

- Rising prices sustains 12% growth in residential sales value
- Government regulates house speculation and encourages renting
- Rental companies eager to expand, face burdens too

## HOUSING MARKET OVERVIEW

- Area of residences sold is estimated to grow by 2% in 2018

Figure 9: Area in square metres of residences and other commercial real estate sold, 2008-2018 (est)

- Total sales value of residences reaches RMB12 trillion in 2018

Figure 10: Sales value of residences and other commercial real estate, 2008-2018 (est)

- Commercial business premises loose individual buyers in top tier cities
  - The average price of residences further increased by 11%
- Figure 11: Average price of residences, 2008-2018 (est)
- Average rental prices in top tier cities increased in 2018
  - Housing remains one of the largest and fast growing areas of expenditure

## MARKET FACTORS

- Purchase restrictions continue
- Housing fund limits speculation and cultivates renting
- Lower first-home mortgage interests rates help meet rigid demand
- Shared-ownership scheme unpopular
- Progress of pilot programme “renting is as good as owning” after one year
- Property tax set to change the game
- Regulation to convert commercial business premises
- New capital keen to dominate the rental market

## MARKETING – WHAT YOU NEED TO KNOW

- Marketing communications require deeper integration and interactivity
- Housing industry calls for authenticity and personalisation

## MARKETING CAMPAIGNS

- Upgrade your rental life
- Figure 12: Upgrade your rental life
- Air quality concerns over rental houses

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

## Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

Figure 13: Ziroom "breathe Deep" campaign and listing system

- **Resonating with young consumers**

Figure 14: Ke.com campaigns with emotional resonances

- **Voucher marketing and more**

Figure 15: Ways to build word of mouth among tenants

- **Immersive experiences enhance brand communication**

Figure 16: Immersive experiences enhance brand communication

## WHO'S INNOVATING?

- **Technologies tackle authenticity problem in the rental market**

- **Show me what I am investing in**

Figure 17: Mashrooi app, Dubai

- **Furniture personalisation for rented houses**

## THE CONSUMER – WHAT YOU NEED TO KNOW

- **High house ownership**
- **22% to 28% of monthly income spent on housing**
- **Living rooms for family purposes and more**
- **Confidence and wait-and-see attitude co-exist in the investment market**
- **Future value dominates the majority of potential investors' minds**
- **Rental market needs transparency and authenticity**
- **Overall stable rigid marital housing need and less satisfied elder tenants**

## HOUSING SITUATION OVERVIEW

- **Living with family in self-owned properties is still common**

Figure 18: Housing situation, October 2018

Figure 19: Living situation, October 2018

- **Young consumers more likely to rent**

Figure 20: Housing situation, by age, October 2018

- **Ownership rate in tier one cities rises slightly**

Figure 21: Housing situation changes, tier one city, 2017 vs 2018

## HOUSING EXPENDITURE RATIO

- **An average 22% of monthly personal income spent on renting**

Figure 22: Rental expenditure, October 2018

- **Consumers over 30 spend more on renting**

Figure 23: Rental expenditure, by age, October 2018

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

## Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- **An average 28% of monthly personal income spent on mortgage**

Figure 24: Mortgage expenditure, October 2018

- **Expenditure ratio on housing similar across city tiers**

Figure 25: Housing expenditure, by city tier, October 2018

## LIVING ROOM FUNCTIONS

- **Living room is still a place mainly for family purposes**

Figure 26: Living room function used most often, October 2018

- **But surfing online represents more marginal needs**

Figure 27: TURF analysis of living room function used most often, October 2018

- **Different demands for living room functions from tenants and house owners**

Figure 28: Living room function used most often, by housing situation, October 2018

## INTEREST IN PROPERTY INVESTMENT

- **Prudent property investment**

Figure 29: Interest in property investment, October 2018

- **Younger consumers and their families more adventurous**

Figure 30: Potential investors, by age, October 2018

- **Investment locations preferred by potential investors**

Figure 31: Potential investment destination, by investment experience, October 2018

- **Half of potential investors are confident about their cities**

Figure 32: Interest in property investment – “I/my family are planning to do this in the next 3 years”, by city tier, October 2018

## CONSIDERATION FACTORS OF PROPERTY INVESTMENT

- **Banking on the future**

Figure 33: Consideration factors for investment property purchasing, October 2018

- **Investors in tier two cities are more sensitive to policies**

Figure 34: Consideration factors for investment property purchasing, by city tier, October 2018

- **Younger consumers less price sensitive**

Figure 35: Consideration factors for investment property purchasing, by age, October 2018

## AREAS FOR IMPROVEMENT IN RENTAL SERVICES

- **Transparent information demanded by tenants**

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

## Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 36: Areas for improvement in rental services, October 2018

- **Clearer transparency on air quality**

Figure 37: Areas for improvement in rental services, by monthly personal income, October 2018

- **Tenants looking for extra proof**
- **20-29 year olds care more about living conditions**

Figure 38: Areas for improvement in rental services, 20-29 year olds vs 30-49 year olds (as benchmark), October 2018

## ATTITUDES TOWARDS HOUSING

- **Renting can still impact ownership with the right offerings and policy**

Figure 39: Attitudes towards buying property, October 2018

- **High house prices make investors more open-minded**
- **No change in overall attitudes towards marital homes**

Figure 40: Attitudes towards buying property, tier one cities, 2017 vs 2018

- **Younger consumers' attitudes towards housing**

Figure 41: Attitudes towards buying property, any agree, by age, October 2018

- **Attitudes towards rental experience**

Figure 42: Attitudes towards renting, October 2018

- **Living conditions unsatisfactory for older tenants**

Figure 43: Attitudes towards renting experience, any agree, by age, October 2018

## MEET THE MINTROPOLITANS

- **The housing situation of Mintropolitans**

Figure 44: Housing situation, by consumer classification, October 2018

Figure 45: Living situation, by consumer classification, October 2018

- **Mintropolitans use their living rooms for more functions**

Figure 46: Living room function used most often, Mintropolitans vs Non-Mintropolitans (as benchmark), October 2018

- **What properties appeal to Mintropolitans?**

Figure 47: Property investment, by consumer classification, October 2018

Figure 48: Consideration factors for investment property purchasing, by consumer classification, October 2018

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

## Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100



## APPENDIX – METHODOLOGY AND ABBREVIATIONS

- Methodology
- TURF Analysis
- Abbreviations

### What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

### Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

### Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100



## About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **[mintel.com](https://www.mintel.com)**.