SHOPPING IS MY LIFE

Student: Tim van Brussel
Email: [...][...]
Student number: 500732148
Study: International Fashion and Management 2014-2019
Coaches: Joop Smit & Constantin Freiherr von Maltzahn
Date: 11th June 2019
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>ARTICLE SHOPPING IS MY LIFE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIBLIOGRAPHY</td>
<td>8</td>
</tr>
<tr>
<td>MOTIVATION</td>
<td>9</td>
</tr>
</tbody>
</table>

Photo 2: Leong, 2010
SHOPPING IS MY LIFE

An insight in the Singaporean high-end luxury fashion consumer and a representation of the Southeast Asian shopping culture.

By Tim van Brussel

Many people know Singapore because of the prohibition on chewing gum, the breath-taking skyline, the Merlion or the world-famous Singapore sling cocktail. But it was when the movie Crazy Rich Asians came out in 2018, that the world got a glimpse into the high-end fashion capital of Southeast Asia.

Singapore, one of the richest countries in the world, with an extremely high-spending culture seems to be the ideal market for brands to sell. But nonetheless, the city state is one of the most difficult markets to become successful in as a company.

In the luxury brand capital of Southeast Asia, a passion for designer goods is clearly noticeable and the Singaporean customer is known to be one of the world’s most brands conscious consumers.

In Singapore, luxury products are seen as a necessity in life. Having at least one designer item in your wardrobe is normal. Owning the latest high-end bag is a conversation starter at parties, and when someone is promoted at work, there is a big chance that this person will quickly go to her favorite luxury boutique to buy something nice for herself as a form of celebration. Often, this behavior is seen from generation to generation. The love for a specific brand is often handed over from daughter to mum, and a father will go watch shopping for his son’s first Rolex together.

Status is essential to many Singaporeans. Through centuries, status has always been closely related to owning luxury items. Being able to be in the position to afford spending an extremely high amount of money on a product, made of the finest quality and most precious materials is often used to show off success and wealth. This brings about that luxury is highly associated with emotional engagement, since emotions are closely linked to status, social class and exclusivity (Silverstein, 2008).

One of the reasons why luxury items are imperative for the Singaporean consumer, is the urge for prestige. Singapore is a migrant country, with its population originating from all over Asia. This group started a new life in Singapore, where
achievements and success were shown in a highly materialistic way.

This was the base for Singapore's high interest in luxury products and the consumption of these. The large Chinese population in Singapore introduced mianzi, or the so called ‘saving the face’. Mianzi means that someone’s dignity or reputation in social context should be saved by any rate. Designer goods are ideal to be used to increase your reputation and gain a higher level on the social ladder.

To understand the need for Singaporeans to buy designer goods, a look at the Kiasu syndrome must be taken. This wish of following the group originates in Singapore itself. If one person has a popular designer item, soon others will see the need to buy this item as well. This shows in an ideal luxury market for high-end brands where buying is constantly supported by the core values of the society: social standing and status.

On a global scale, brands as Chanel, Louis Vuitton and Hermès are gaining in popularity. Luxury brands are seeing a global growth in interest in prestige items. The modern consumer wants to be associated with success. The world becomes smaller because of internet and social media, the never before seen low prices for traveling the globe, online shopping that makes it possible to buy products from all around the world within one click and almost everyone who lives abroad for a period time. The Southeast
Asian region is one of the fastest developing regions in the world. Companies are very interested in the new potential market of 620 million people, with a large and young population, promising GDP growth and growth of tech use (Desjardins, 2018). The populations in Southeast Asia enjoy higher amounts of disposable income due to economic growth. These consumers want to show their new life standards to others by buying the latest high-end designer brands and other luxury goods. Just as they see consumers do in other well-developed countries during traveling and on their social media.

The demand in high-end luxury items will intensify in the upcoming years, because of growing economies. Countries are developing, and consumers will enjoy higher amounts of disposable income which they want to spend on status related goods. These are positive prospects for luxury brands but will bring difficulties along the way as well.

Currently, brands are facing difficulties in Singapore on meeting the expectations of the customer. Expectations of the modern customer are increasing, from simply wanting reasonable pricing and good quality (Salesforce, 2019) to expecting proactive service, personal interaction with the brand and offering similar experiences across all channels and countries of the brand (Arienti, 2018). Singapore is a multi-cultural country with a population of almost 6 million inhabitants consisting mainly out of Chinese, Malay and Indian, but also including many other nationalities. Differences in religion, age and gender occur. This all results in a wide variety of customer expectations and demands that brands all have to fulfill in the best achievable way which makes Singapore one of the most difficult countries to do successful business.

The current problem in Singapore of not being able to serve the wide variety of customers successfully, will grow into a global case. A Singaporean Chinese consumer prefers different products than a Singaporean Indian consumer, and this
asks for a more in-depth look at companies in their consumer behavior strategies. High-end luxury brands are focused on the mass instead of the individual customer. It is crucial for brands to look into the individual to gain a better customer understanding, which will eventually lead to a higher customer satisfaction and higher customer interests in products.

By providing a more individual customer approach, luxury brands could adapt religion, age and gender. The introduction of special collections or items, not only during Chinese New Year, but also during the Ramadan, Diwali and Christmas will attract more customers to the brand. Research by Tom Tseki (2017) shows that approaching customers in their own language will automatically lead to an increase in purchase amount. The official languages in Singapore are Mandarin Chinese, Hindi, Malay and English. But in Singapore most of the brands approach their customers in English only. Providing communication in the countries four main languages during both online and instore shopping, many customers will experience a higher level of satisfaction during their shopping trip.

Nonetheless, luxury demands will increase in the upcoming years, and the need for status related products will always exist. But if the globally known existing fashion houses want to increase their share in this demand in the future, action has to be taken. Recognition of the modern customer is crucial, and an individual approach is required to understand the wide variety in customers. In the end, customers will decide where to spend their money, and they will only do this when satisfaction occurs. *Customer is king.*
BIBLIOGRAPHY


PHOTO


This article ‘Shopping is my life’ is mainly focused on informing its reader and contributes information that is specifically relevant for readers who are interested in doing business within the high-end fashion market in Southeast Asian market and the Southeast Asian customer. It provides an analysis and advisory on a subject that is applicable to modern times and could be used in advisory, consultancy and business reports.

By my choice to write this article for the online platform business of fashion (BOF), I am able to reach a wide group of readers within the fashion industry, mainly consisting out of professionals, entrepreneurs and creatives all over the globe.

Business of fashion is seen as one of the most relevant news sources within the fashion industry and provides information and news in a wide variety of subjects, from both culturally and economically points of view.