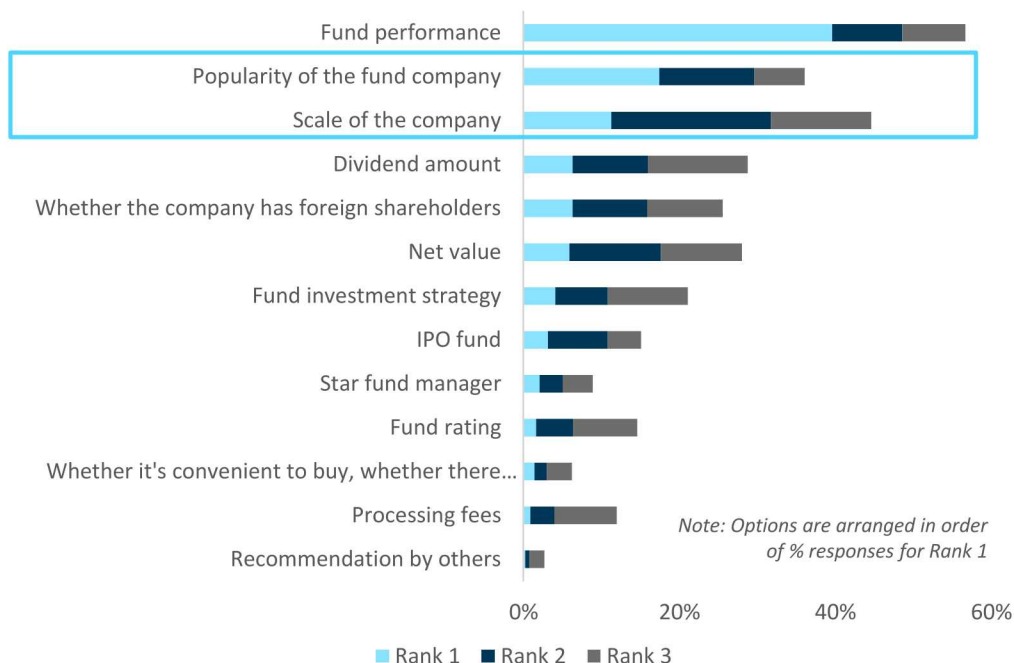


## INSIGHT OF THE WEEK

# Retail brand perception key to selling funds in China

## Top 3 Considerations on Retail Investors' Investment Decision Making



## Broadridge Insights

### Retail brand perception and local commitment are key to success

Chinese retail investors have developed a “Want It All” mentality, demanding high yielding yet low risk investments. Coupled with limited product differentiation, many investors frequently switch investment based on short term target returns. In market as such, brand perception could be a powerful differentiator against competitors. In fact, the popularity and scale of the fund company, which greatly contribute to brand perception, are ranked consistently high across almost all top three considerations, reflecting the importance of brand building in selling mutual funds in China. With the growing importance of online distribution channels, firms are increasingly dedicating precious marketing dollars towards popular social media avenues like Weibo and Wechat.

### Mobile app prevalence across gender, age, location and wealth tier

More than 90% of mobile payment market in China is occupied by Alipay and WeChat Pay. Using mobile apps to purchase funds is the most popular channel across all gender, age groups and wealth tier.. Younger populations (20-29 and 30-39) have the highest percentage (60%) in using mobile apps but there is strong usage even amongst those aged above 50. But it should be noted that face-to-face mode of purchasing funds is still fairly common amongst the wealthiest group (financial assets > RMB 3M) as their needs tend to be more complicated.

## Ways of Purchasing Mutual Funds, by Age and by Wealth Tier



Data Source: Broadridge Chinese Retail Investor Survey H1 2019

## Insights drawn from our inaugural China Key Drivers of Success offering

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