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Empirical Study on Factors Influencing DIY mode of Chinese consumers in Home Improvement

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Abstract

Rapid development of home improvement industry and demand of Chinese people for better living conditions have spawned tremendous growth of home improvement market in China. Aside from traditional home improvement market for new buildings or old building renovation dominated by home improvement companies and obscure minor contractors, a new type of building material retail model has been introduced from Western countries in the China: the do-it-yourself (DIY) home improvement advocated by DIY building material stores.

The do-it-yourself (DIY) home improvement model originated and flourished in Western countries with well-developed construction industry. Since the 1950s and 1960s, the DIY has become a dominant model of home improvement in Western countries and DIY building material stores offering various types of building materials have become a major building materials market in Western countries. By the end of the 20th century, the model of DIY building materials stores and the concept of DIY home improvement were brought into China. Nevertheless, the DIY model did not spread as quickly as in the Western countries over the past more than two years of development. Since 2010, even western DIY supermarket retailer, such as Home Depot, B&Q in China, have closed down or transfer its equity out of China!

It makes me wonder and I determined to do this exploratory study. Under the background of Chinese society and culture, will DIY and DIY home improvement building materials supermarket model on behalf of the western mainstream housing consumption become the mainstream of residential decoration pattern in China? Will DIY building materials supermarket and DIY model of home improvement bring Chinese consumers with greater and better value compared with the traditional model of home improvement? Investigation and research on the influence factors of DIY home improvement for Chinese consumers is the focus and subject matter of this paper.

This paper first reveals relevant theoretical basis of DIY home improvement and the situation of home improvement in China and Western countries before conducting a theoretical analysis on the influence factors of DIY home improvement. In light of the reality of home improvement industry, economic environment and the social and cultural background of China, this paper investigates the advantages, feasibility, as well as disadvantages and restraints of the new DIY model of home improvement, identifies the valuable factors of the

mechanism that influence home improvement demand of Chinese consumers, creates a model of theoretical reasoning, and discusses the patterns of probabilities for consumers' choice of DIY home improvement caused by changes in each significant independent variable. Lastly, an analysis and outlook on the development of DIY home improvement model is provided as theoretical basis for the trending of local DIY model in China.

This study is carried out mainly on the basis of the following points:

1. Investigation on whether economic interest has been incorporated into the model for the research on the emergence of DIY concept and behavior as a primary driving factor. In model configuration, this study identifies “labor value” as a core factor of economic interest. As revealed by relevant studies, as a cost factor in economic interest, labor value and the ratio between the cost of time for workers and consumers are the key factor influencing the emergence of DIY consumption.

2. Investigation and summary of external factors that significantly influence the consumer behavior of DIY home improvement. Our study identifies that the DIY model of home improvement is subject to the influence of the following eight factors: the cultural environment for the development of DIY concept, building materials suitable for DIY, equipment availability for DIY works, difficulty of DIY works, the scale of building material stores offering DIY products and the level of their operation and management, marketing strategies and awareness promotion for DIY culture, together with labor market effectiveness, i.e. the difficulty of hiring qualified skilled workers.

3. Research on the intrinsic mechanism that gives rise to DIY consumption behavior. This paper discovers that the emergence of DIY home improvement behavior is intrinsically correlated with the basic DIY hobbies of consumers, free time available for DIY, the DIY skills of individual consumers and DIY psychology (self-entertainment, expression of individuality, identity and sense of achievement, show-off).

4. Different consumer groups have different responses to DIY subject to various influence factors. First, home improvement consumers fall into different groups by gender, age, occupation and level of education. Second, different home improvement consumers

demonstrate different DIY motives and behaviors under the effect of internal and external influence factors; lastly, as can be discovered in our regression analysis based on total samples, among home improvement consumers in China, a group of DIY fans exist with insignificant restraint of economic and time factors; while in our sample regression of other home improvement consumers, the factor of labor value is highly significant.

5. On the basis of regression analysis, this paper makes a general and a single variable trend prediction. On the basis of regression analysis, this paper used probability forecast method to further discuss the research conclusion and used probability prediction model to find the house decoration DIY probability change trend through change of each independent significant variable.

Part of the above research belongs to the exploratory research, the conclusion obtained to some extent help enriching consumers' DIY theory, building materials supermarket marketing theory and consumer behavior theory, and as a certain reference to reference and guiding significance for marketing planning and management practice of relevant enterprises. At the same time, this research also has many shortcomings, the revision and consummation remains in further research.

Key-words: Consumers home improvement, Home improvement DIY model, Personal DIY tendency, DIY building materials supermarket, Products possible for DIY

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