

Chinese Single Economy: Concept Analysis, Trend Prediction and Risk Control

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Abstract: As a popular economic trend, the single economy has increasingly developed its uniqueness and competitiveness and has an important impact on social production and life. The size of the single population in China is huge, and the single population has a very high marginal propensity to consume. The changes in consumption trends brought about by demographic structure and cultural concepts contain huge consumption potential and opportunities. Their needs have begun to converge into a huge new consumption force, which has given birth to new business models and consumer formats. This article analyzes the single economy in China, predicts the development trend of the single economy, and discusses the risks that may be encountered in the development of the single economy. Finally, it puts forward possible countermeasures and suggestions on how to deal with the possible risks.

Keywords: *Single Economy; New Consumer Format; Single Group*

I. INTRODUCTION

The single economy, also known as the “one-person economy”, refers to the business opportunities brought by single people who pay great attention to the quality of life and advocates high consumption life. The single economy originated from the concept of “single female economy” proposed by Western economist McCarthy in 2001 in *The Economist*. McCarthy believes that “single women are the producers and consumers of products and services in the advertising, publishing, entertainment, and media industries. they are the most ideal customers as they are single and earn a lot of money. Compared with other classes of people, single women are more passionate and impulsive to spend money as long as things are fashionable, interesting, and convenient.” The single economy has similar characteristics. The emergence and development of the single economy, experts believe that it is not only the inevitable result of the development of the market economy, but also the inevitable way of social transformation.

Eric Clinenberg pointed out the “single society” was that single population increased in big cities, and gradually exceeded the number of nuclear families in the book *Single Society* in 2013^[1]. The single society is becoming an unprecedentedly powerful and inevitable social change, and many advanced economies have entered this social form. The single economy refers to the business opportunities brought by single people who pay great attention to the quality of life and advocate high consumption life. The single economy also known as the ‘one-person economy’, refers to related economic activities or behaviors that take individuals as the center of consumption and meet one's psychological needs. In recent years, the single economy has become a common choice for young friends, and it has encouraged the single economy trend to roll forward.

Japanese management scientist Kenichi Ohmae reminded the business community to pay attention to such a one-person consumer group in the book *One Person's Economy*. In his view, the core of one person's economy lies in one person's biggest consumer proposition is even if it's not cheap, still must buy what you like. Among young people, most of them have bought a way of life ^[2]. Lifestyle is destined to ‘one person's economy’ encompassing various consumption scenarios and fields. It is not only the transformation of consumption concepts, but also the business problems that the entire commercial society needs to solve. At first, people used to distinguish between single and non-single. This is undoubtedly the definition of “person” in the marriage combination. However, with the rapid economic take-off and the diversified social and cultural development, people's concepts have also changed. One-person economy has become a more common collective term. On the one hand, the “individual” is the focus of attention, and the core is on the individual itself and the quality of life. On the other hand, behind the one-person economy system, the society is sincere, tolerant and recognized to the single group.

II. SINGLE GROUP: A NEW POWER OF CONSUMPTION

A. The single group is huge

According to the 2020 China Statistical Yearbook, the size of China's single population (including unmarried, divorced, and widowed people aged 15 and above) has reached 240 million (calculated based on a sampling ratio of 0.780‰), which exceeds the total number of people in the UK, France and Germany. The single population is even larger than the total population of Britain, Germany, and France combined.

However, according to the proportion of developed countries, China's single population is not too large. In the United States, the single population already accounts for 45% of its population, Japan's 32.4%, and South Korea's 23.9%. The single population may be as high as 400 million ^[3].

In addition, China is also showing a trend of declining marriage rate and increasing divorce rate. It also indicates that the single population of our country may further increase. On May 11, 2021, the National Bureau of Statistics released the results of the seventh national census, shows that the average household population in China is 2.62 persons, and the size of households continues to shrink, 0.48 persons less than the 3.10 persons in 2010. Corresponding to the shrinking family size, more and more single adult groups are gradually expanding. In some areas of first- and second-tier cities, it is not uncommon for one person to live alone.

According to the “2018 Workplace People's Views on Marriage

and Love Survey Report”, nearly 70% of working people are single. 68.33% of the workplace people who participated in the survey were single. Among them, Haikou has the highest single rate, 87.5% of the workplace people are single, followed by Shenzhen and Fuzhou, the single rate is 77.23% and 75.93%. In the list, the rate of singles in the workplace in major cities in China has exceeded 50%^[4].

In addition, the “single rate” is positively correlated with the degree of regional economic development. China's first-tier cities rank among the top in the ‘National Singles Ranking’. More than 55% of the people are in the first-tier cities. If you add the second-tier cities, it will be close to 90%. The 2018-2024 China Single Economic Market Development Model Survey and Investment Trend Analysis Research Report released by Zhiyan Consultation shows that the top eight cities with the largest distribution of gold singles are Shanghai, Beijing, Shenzhen, Hangzhou, Guangzhou, Changsha, Nanjing and Wuhan. Data from another group of Sutu Research Institute shows that 29.7% and 26.4% of single youths are scattered in first-tier cities, and the proportion of single youth in second-tier cities has reached 32.39%.

B. Consumption trends of singles

There are a huge number of singles in China. They are self-demand-oriented, and their consumption behavior is often manifested as completely self-centered. Under their promotion, one-person economy such as cosmetics, small appliances, tourism, pets, and one-person food and beverage delivery has been booming. In addition, they also pursue diversity in their spiritual life. E-sports, short videos, games, live broadcasts, and smart chats also provide rich nutrients for single nobles. Because the single group has not married and started a family, there is no financial pressure from the family, and the consumption process is led by self-will and self-satisfaction as the priority. The growth and rise of this group can better show the trend of China's future consumption. It is an important weathervane for changes in China's consumption trends in the future, and singles are gathering a new strength of consumption.

The overall characteristics of single groups are that a considerable part of them have stable and substantial economic income, have strong consumption propensity and ability, have received good education, have higher requirements for the quality of life, have strong consumer decision-making autonomy, and prefer enjoyment. For consumer products, the pursuit of *new, strange and special* consumer preferences, there are obvious self-consumption needs and willingness.

First, driven by the willingness to spend money for convenience, pleasure, spiritual sustenance and self-improvement, convenience stores and takeaways will become the main shopping scenes in the future. The family size of the single group has become smaller, the amount of goods consumption tends to decline, and the free time available under work pressure is reduced.

Therefore, convenience stores close to the community and with high quality control are more suitable for singles. From 2013 to 2017, the five-year compound growth rate of convenience stores reached 12.8%, much higher than that of supermarkets and department stores. Survey data shows that most single people only cook occasionally. In contrast, married people cook relatively more frequently, usually more than three times

a week. Judging from the 2018 food delivery data released by *Meituan Dianping*, people aged 20-30 contributed 65% of the order volume, and the consumption of food for one person has become the mainstream. In addition, the emergence of non-catering takeaways has formed a small new retail format in the home delivery industry.

Secondly, social media with KOL (Key Opinion Leader) attributes will become an important source of brand and business traffic. The rise of social media KOL has solved the problem of obtaining effective information. The refined operation of the KOL audience is not necessarily large, but the conversion rate of fans into buying behavior is higher. The single group realizes that online social interaction cannot fully satisfy the desire of daily life. Only offline social interaction that integrates reality can make life more balanced and harmonious.

Thirdly, the cognition of ‘good-looking skin plus interesting soul’ will promote the booming development of industries such as tourism, cosmetics, small household appliances, pets, and vocational education. , More and more single people choose to travel alone, and the related free travel and personalized tourism industry are becoming popular year by year. iiMedia Research data shows that in 2021, the average annual number of trips for male single groups in China is 2.81 times higher than that of female single groups. The average annual number of trips for female singles is 2.46.

Finally, e-sports, two-dimensional and long and short videos will become an important part of spiritual consumption.

In the future, the game industry will develop towards socialization, and e-sports is expected to become one of the mainstream cultures among singles. With the growth of the post-95s and 00s and the rapid development of the two-dimensional culture in China, the two-dimensional will become an important growth engine for the single economy. Idol development variety shows provide young people with a more rational and economical way to chase stars and will also promote the increase in the penetration rate of paid videos.

III. RISK IDENTIFICATION OF CHINA'S SINGLE ECONOMY

A. The development trend of China's single economy

Regarding the emergence and development of the single economy, industry experts believe that it is not only the inevitable development of the market economy, but also the inevitable transition of the society. With the development of society and the segmentation of specific groups of people, the single economy has produced new changes in demand and has become a popular economic trend. Single people have a very high marginal propensity to consume, and the scale of the consumer market is expected to reach more than 13 trillion yuan. The changes in consumption trends brought about by demographic structure and cultural concepts contain huge consumption potential and opportunities, and there is great potential^[5].

The “2018 Living Consumption Trend Report” shows that a person's consumer life is constantly upgrading, and the single economy has become a new trend. At the same time, the single economy and social public opinion tend to be increasingly integrated. The development of the single economy has been boosted by social public opinion to a certain extent. The single

economy continues to produce new words, and the public opinion is paying more attention to the single economy. According to the "China Single Economy Report" released by Nielsen, only about 1% of the single population is facing the issue of elderly care and children's education, so they also show stronger spending power and willingness to consume. Whether it is buying clothes, electronic products, or self-investment, consumption intensity and amount exceed those of non-single people. In other words, the single economy is still in a blue ocean. China's single economy has broad market prospects. The single group now shares a lot of GDP. Statistics show that the single group contributes about 90 billion yuan in pet market consumption, about 120 billion yuan in health market consumption, and about 140 billion yuan in game market consumption.

The increase in the single population and the population living alone has spawned a market of one-person residence, one-person food, one-person travel, and one-person high. A series of economic situations such as "single hot pot" and "single apartment" have been launched accordingly. In recent years, commercial IPs created around singles are commonplace, including snacks, catering, pets and travel. Due to the particularity of their audiences, each category differentiates to create IP attributes while also expanding various models, attracting many investors.

In addition to clothing, food, housing, and transportation, entertainment has also gradually derived more services for single groups, such as customized tours for one-person travel. As the "single economy" continues to be hot, some sensitive businesses have sensed business opportunities and focused on creating products and services needed by singles, detonating the business carnival of "lonely consumption". With the growing number of single groups, the number of "single travel" groups is also increasing. 53.3% of singles travel 1-2 times a year. Many travel agencies have never accepted one-person group tours in the past, and now offer one-person customized tours. On IT Orange, search for single-person customized tours, and there are as many as 870 related companies. On Ctrip, the number of single-person travel-related mailings has reached 1,300^[6].

In short, for many singles, they are not only buying goods, but also buying a "lifestyle". Therefore, the one-person economy must cover a variety of consumption scenarios and fields, and it should be the inevitable development of the market economy.

So, which industries will the single economy bring dividends and business opportunities? The more representative industries include e-commerce industry, catering industry, home appliance industry, pet industry, and tourism industry. It also includes industries such as shopping, consumption, film and television, online music, education and training. Another industry that greatly benefits from the economic dividend of singles is the Internet technology industry, such as the mobile Internet, which is more representative such as various social APPs, short video APPs, and the current very hot virtual life.

It can be seen that the single economy can be called "a big gold mine". This is a business opportunity that must be seized for companies, businesses, and platforms. They all hope to share the giant cake of the single economy. The single economy is even more regarded by the market. The next business ventures.

B. The risk of Chinese Single Economy

Whether the single economic behavior choice is correct, how long the single economic consumption can last, and how the single economic will affect and change the individual, these issues will inevitably be rushed, making people overwhelmed and difficult to take care of.

1. The risk of large fluctuations in the macro economy

Many people believe that single groups are good for economic development. But careful analysis is not difficult to find that the so-called "single economy" is just a transfer of the "marriage economy". In other words, the consumption reduction of many married men and women due to non-marriage has become the consumption increase of single groups. Their spending power has not changed, only their consumer identity has changed. In the long run, the single economy will affect economic growth through fertility. Being single has become a relatively common social phenomenon. According to the survey, 31% of single persons will choose to remain single in the coming year. In the demographic structure, the number of singles will also affect the total consumption and consumption structure. Among the single population, the proportion of people with high education and good financial status has increased greatly compared with the past, and at the same time, the willingness of this group of people to consume is relatively high.

2. The shrinking number of singles triggers social conflicts

From a social perspective, the destructive power of the single wave cannot be ignored. Whether you can't get married, don't want to get married, or get married and divorced, the result will be an increasing number of singles. Over time, the problem of China's population structure will become more and more serious.

In addition, passive singleness may cause social conflicts. The process of urbanization in China has not yet been completed. The high housing prices and the traditional concept that men are mainly responsible for marriage and family expenditures have made single men mainly concentrated in rural areas, while single women are mainly located in cities. Since there are more single men than single women in China, their needs for family life cannot be met, which may trigger social conflicts. A typical consequence is that a low marriage rate will lead to a low fertility rate, which will cause the problem of aging society to become more and more serious. Official data shows that by the end of 2019, there were 176.03 million people over 65 in China, accounting for 12.6% of the total population.

3. The single economy exists in big cities, and there is no single economy in the sinking market

The 'single economy' has obvious regional characteristics. This single economy carnival that is highly sought after by capital seems to only occur in first- and second-tier cities, and has no strong connection with the sinking market.

The penetration rate of the single economy in big cities is obviously much higher than that of the sinking market. This is because the main consumer groups of the single economy mostly live in first- and second-tier cities. According to the "2018-2024 China Single Economic Market Development Model Survey and Investment Trend Analysis Research Report" released by *Zhiyan Consulting*, the current top eight cities with

the largest distribution of gold singles are Shanghai, Beijing, Shenzhen, Hangzhou, Guangzhou, Changsha, Nanjing and Wuhan. Another set of data shows that 29.7% and 26.4% of single youths are scattered in first-tier cities, respectively, and the proportion of single youth in second-tier cities has reached 32.39%.

The single economy did not sink to the market. The main reason is that the sinking market does not have the user groups that the single economy wants. The foundation of the single economy in the sinking market is unstable, so it is difficult for the single economy to survive and develop in the sinking market. The single economy has not yet sunk into the county market. In addition to the fact that the county is not as convenient as the big cities, the most fundamental reason is that the county has no soil for the survival of the single economy. In the sinking market, being single is almost impossible. Where there is no single group, there is basically no place for the single economy. In addition, because single groups in counties are difficult to cluster, the single economy surrounding such groups is difficult to produce scale effects.

4. Beware of the dangers of excessive consumption

Regarding the emergence and development of the single economy, industry experts believe that it is not only the inevitable development of the market economy, but also the inevitable social transformation. The lonely economy was born to adapt to the changes in the population. There has been a certain change in the social demographic structure, and there has been a change in the level of needs. With the growth of single people year by year, the market has formed a relatively fixed consumer group with the same characteristics, which will inevitably promote the development of related service industries. However, some experts believe that although the single economy is full of vitality, it still contains some uncertain and unstable factors.

In the process of consumption, young people do not completely follow the “rational man” assumptions in economics, and even “irrational” in many cases. Due to the herd mentality or comparison mentality and limited willpower of young people, they are susceptible to the temptation of the outside world. For example, under the offensive of various consumer advertisements, driven by the desire to spend money to please themselves, they lead to blind impulsive consumption and advanced consumption. It is very likely that young people face the risk of no money to spend when they need to spend money. This kind of consumption habit without a little preventive and crisis awareness will make people vulnerable to accidents and suffer a double blow economically and spiritually. Not to mention the young people who fall into the routine of card-raising and online lending, because they fail to balance their consumption desires and earning power, they make their lives miserable.

Blindly following the trend of consumption, herd consumption, overdraft consumption, and blind herd consumption are common among young people. Consumer addiction and impulsive buying behaviors may all lead to excessive consumption. Once a habit is formed, it may lead to a series of vicious circles. I am afraid it is easy to form a kind of dependence, and it is difficult to get rid of it.

IV. REASONABLE CONTROLLING FOR SINGLE ECONOMIC

The single economy is also a double-edged sword, like the argument that “the single economy is a blue ocean of investment”, but how producers adapt and integrate into economic changes is an option that needs to be carefully considered. The lifeblood of the single economy needs to be reasonably controlled, and the tendency of “loneliness to death” is worthy of consideration and vigilance. For single people, many of them are currently an idiosyncratic state, that is, unconscious. This requires not only self-conscious suppression and correction, but also the guidance and traction of the public and the media from the public opinion.

Young singles are not only the main domestic consumer, but also the mainstream of online consumption. In this regard, it is also necessary to take all-round measures to protect this consumer force, including strengthening the crackdown on counterfeit and inferior online shopping products, and strengthening the e-commerce platform. Legal responsibility, while establishing and implementing an inversion system for the burden of proof for online shopping products, extending the supervision function of industry associations from offline to online, and creating reporting channels and incentive mechanisms for peers and consumers.

It is gratifying that the data from the “2019 Workplace Single Talent Survey” released by 58.com shows that 60.4% of singles still look forward to beautiful love, and even those who actively choose to be single may change their minds in the future^[7]. Join the ranks of mate selection. In this regard, it is necessary to use policy mechanisms to actively guide single people’s communicative and pro-social behaviors, such as increasing preferential policy support for young people in terms of occupational annuities and endowment insurance, so as to minimize the financial panic that affects marriage and love. At the same time, a social compensation mechanism for childbirth and parenting costs should be established for young families. More importantly, it is necessary to eliminate all kinds of hidden discrimination against women in employment and career arrangements and provide stable and smooth salary and promotion for married women. aisle.

Foreign countries have always maintained a vigilant attitude towards the emergence of large numbers of single groups. For example, since the 1970s, when the number of single women aged 25-30 in Japan has more than tripled, the Japanese government has allocated transfer funds in maternity allowances to help local organizations organize blind dates to improve this phenomenon. The Korean government reduced the single rate by adding a “single tax”. Korea has stipulated that unmarried workers with an annual salary of 20 to 30 million won must pay an extra 200,000 won. To a large extent, this will reduce the single problem caused by non-poverty. In Singapore, the government pays for dating. The Singapore government has made public tenders, hoping to plan special preferential activities through enterprises, and the government will provide dating expenses for successful speed dating men and women.

In terms of future development trends, if the vitality of the single economy is to continue, not only the expansion of the single team, but also the producers and sellers need to keep abreast of the changes in the market to meet the needs of consumers. For enterprises to transform and upgrade, they

must seize the market dividend brought by the single tide. Industry analysts believe that the single economy is a major development trend for a long time in the future. How can we not be eliminated in the fierce competition and finally gain a place? This requires our own brand awareness, conforming to the trend, updating the concept, and constantly Work hard to study how to provide high-quality and personalized consumer services to attract moresingle people.

CONCLUSION

The size of China's single population is huge, and the single population has a very high marginal propensity to consume. It has become a relatively fixed consumer group in the market with the same characteristics. It has its uniqueness and competitiveness and is forming a huge new consumption. power. This will inevitably promote the development of related service industries, generate more service categories, and create more new jobs, which is a kind of promotion of consumption. The development of a single economy will have a great impact on the economy, which in turn will affect social stability. In this regard, it is necessary to take all-round measures to escort this consumer powerhouse. The lifeblood of the single economy needs to be reasonably controlled to ensure that the single economy develops on a normal track.

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