

HAKUHODO Information Note

Hakuhodo Foresight Lifestyle Innovation Survey 2: *Sei-katsu-sha* Sports Lifestyles

Sports Lifestyles Move from Watch and Go to Play

76.9% have played some form of sport in the past 12 months

65.7% want to increase the frequency they play sport

Sport is played for better personal relations and
health/beauty reasons

The most practiced sports are yoga/aerobics and
athletics/jogging

Tokyo—January 31, 2006—The Hakuhodo consultation team Hakuhodo Foresight* conducts its Lifestyle Innovation Survey to monitor changes in societal and *sei-katsu-sha*† (“living consumer”) values, as well as transformations in consumer behavior, etc. caused by changing lifestyles.

In this, the 2nd such survey project, we probe and analyze the myriad motivations and lifestyles *sei-katsu-sha* demonstrate in regard to sports. Preliminary findings of this themed research appear below.

To track *sei-katsu-sha* sports lifestyles, we looked back over perceptions over the previous 8 years from three perspectives: watching, going to and playing sport. We found that over the duration, watching and going to sport have fallen away while the number of *sei-katsu-sha* playing sport has increased. In the 2006 survey, 76.9% of respondents had played sport in the last year. Moreover, the aspect of sports that *sei-katsu-sha* were most keen to expand or increase was the number of times/frequency they play sport (65.7%), delineating this desire to play sport.

We also divided the motivators behind *sei-katsu-sha* engagement with sport into eight categories; from long-standing to more recent ones. Of the eight, new kinds of motivators

* See page 7

† *Sei-katsu-sha* are more than simply consumers, just as people's lives and lifestyles include more than just shopping. Hakuhodo introduced this term in the 1980s to emphasize our commitment to a comprehensive, 360-degree perspective on consumer's lives.

like Health/beauty (62.6%) and Belonging (66.5%), etc. were prominent, receiving scores of more than 60%. Moreover, when we asked about reasons for playing sport, Ease of joining in received the highest score, while Friendly ties with others and Health/beauty were important response keywords, indicating a shift away from the traditional thinking that equates sports with competition, records and discipline.

Notably, the top sports played were Yoga/Aerobics followed by Athletics/Jogging. These cross-generational sports are likely to be popular for their ease of entry, low cost and health benefits. In financial cost borne in the playing, Golf was No. 1, followed by Skiing/ Snowboarding.

Hakuhodo Foresight will use the results of this investigation to gain insight into market and corporate futures and develop future scenarios for use in its consultation work. Detailed survey results follow overleaf.

Survey outline

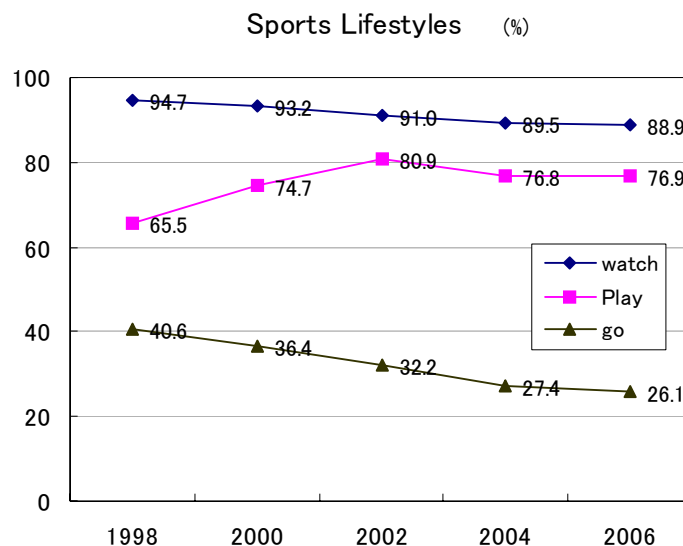
<u>Lifestyle Innovation Survey</u>	<u>Hakuhodo Institute of Life and Living's Hill Net Survey</u>
<ul style="list-style-type: none"> • Respondents: M/Fs aged 15–69 • Area: Nationwide • Sample size: 1,309 males, 1,312 females; n = 2621 • Period: March 2006 • Method: Internet survey 	<ul style="list-style-type: none"> • Respondents: Hill Net registrants • Area: Tokyo and environs • Sample size: 361 males and females • Period: November 2006 • Method: Self-administered postal survey
Some HABIT 2006 (proprietary Hakuhodo survey data) findings have also been used	

〈Survey data〉

- **Some 76.9% have played some form of sport in the last 12 months. While watching and going to sports have declined, more *sei-katsu-sha* are playing sport**

To better understand the sporting lives of *sei-katsu-sha*, we looked back over their perceptions to sport in the last 8 years in terms of watching, going to (spectating) and playing sport.

While watching and going to sport ebbed over the period, playing was up. In 2006, 76.9% of respondents reported having played sport in the previous 12 months, up close to 10 points on 1996. This indicates the perception of sport is shifting from something one watches to something one does.



Question content

- Watch: Do you regularly watch some form of sport live on TV?
- Play: Have you played some form of sport in the previous 12 months?
- Go: Have you spectated some form of sport live at the venue in the previous 12 months?

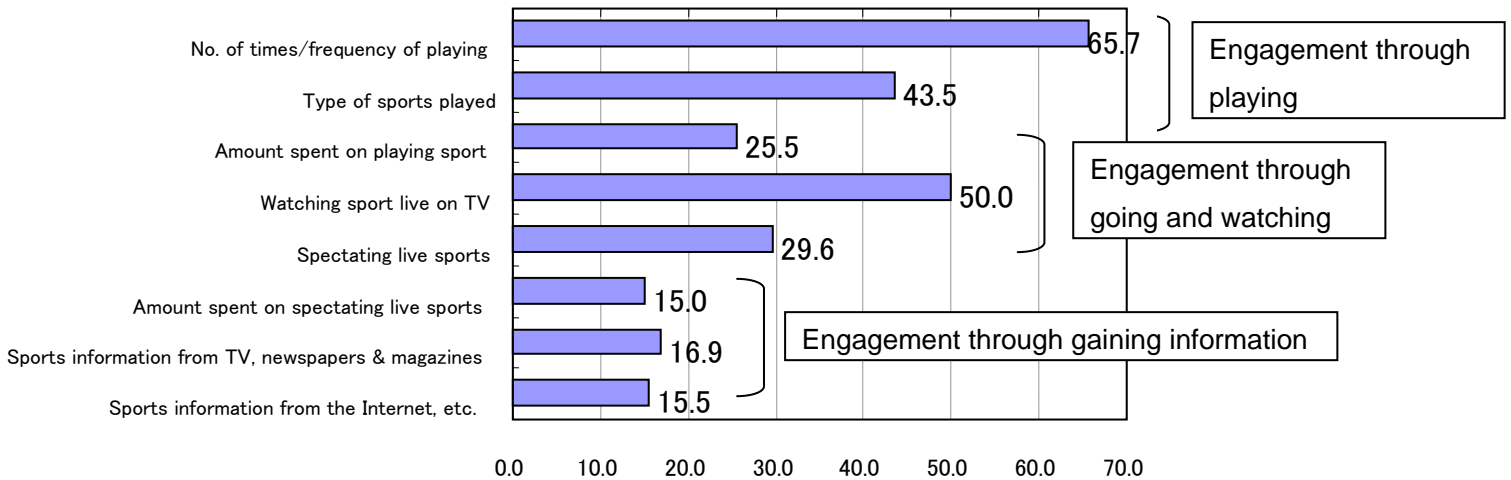
(Source: HABIT 2006 survey)

- **65.7% want to increase the frequency they play sport. Overall, there is a marked interest in increasing their engagement (frequency, types) with sports**

We asked various questions to find out how *sei-katsu-sha* want to increase their involvement in sports. Of these, wanting to increase number of times/frequency came out on top, at 65.7%, another clear indicator of the desire for engagement with sports through actual playing.

It would be fair to say that today's *sei-katsu-sha* are more interested in actually playing sport than in learning about it.

Sports Involvement Would Like to Increase in the Future (%)



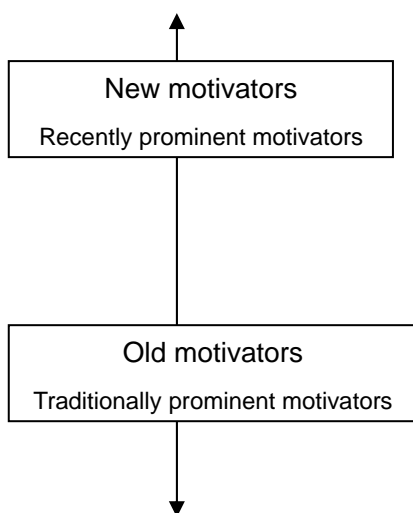
(Source: Hill Net survey)

- **Of the 8 key motivators for sports, Excitement came out on top at 76.1%. Belonging and Health/beauty also topped 60%**

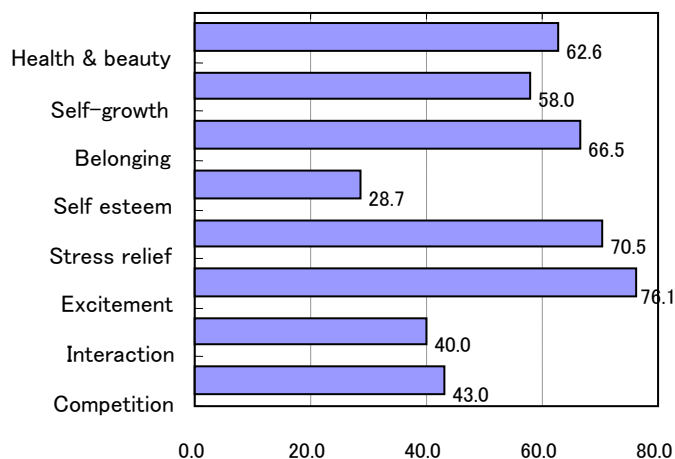
We divided *sei-katsu-sha* motivators for engaging in sport into 8 categories—from traditional motivators, to ones that have been on the rise lately—and asked whether these were motivators for respondents.

The top scorer was Excitement, or the desire for excitement and thrills (76.1%). High scorers of over 60% also included Health/beauty (62.6%), and Belonging (66.5%).

The motivators for sports are diverse, including such things as health and building a community to be part of.



Eight Key Motivators for Sports (%)



Health/Beauty: Desire for healthy life, increased beauty and weight loss

Self-growth: Desire for spiritual and physical growth and improved technique

Belonging: Desire to create a place to enjoy sport and to belong to

Self-esteem: Desire to look stylish and be watched by others

Stress-relief: Desire for relief from the stresses of everyday life

Interaction: Desire for fun times with family and friends

Competition: Desire to win and to make records

(Source: Lifestyle Innovation Survey)

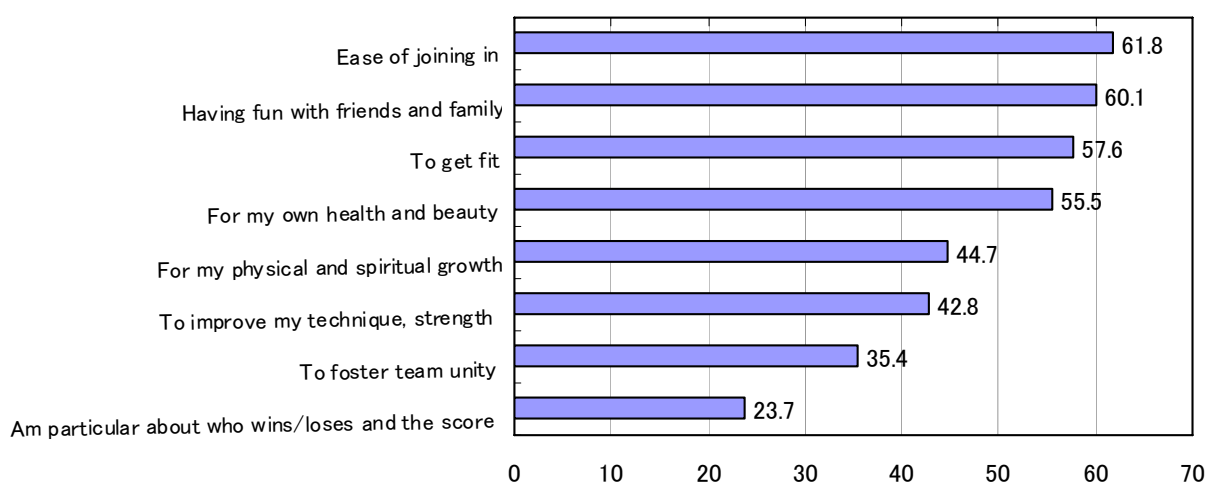
• **Good relations with others and Health are the new key words in reasons for playing sport**

When we asked respondents their reasons for and key considerations in playing sport, Ease of joining in (61.8%) was top, followed by Good times with friends and family (60.1%), Fitness (57.6%), Health and beauty (55.5%), all of which received relatively high scores.

Conversely, Improving technique and strength (42.8%), Being particular about who wins/loses and the score, and other items to do with training and competition received low scores.

It appears that today's *sei-katsu-sha* play sport mainly to smooth personal relations and communication, and for health and fitness reasons.

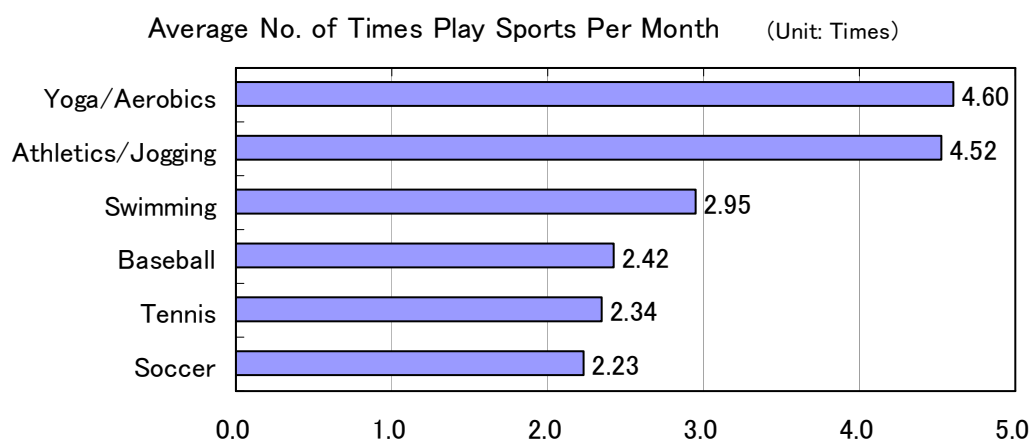
Objectives/Key Points about Sports Aactually Played (%)



(Source: Lifestyle Innovation survey)

- **The No. 1 played sport among *sei-katsu-sha* is Yoga/Aerobics, followed by Athletics. Sports with low ability and cost barriers to participation come out at and near the top**

When we asked *sei-katsu-sha* what sports they participate in and how often, Yoga/Aerobics (4.60 times/month) and Athletics/Jogging (4.52 times/month) came in at No. 1 and No. 2, respectively. Overall, the sports popular with *sei-katsu-sha* tended to be ones that anyone can take part in, that are not too expensive, and that are healthy.



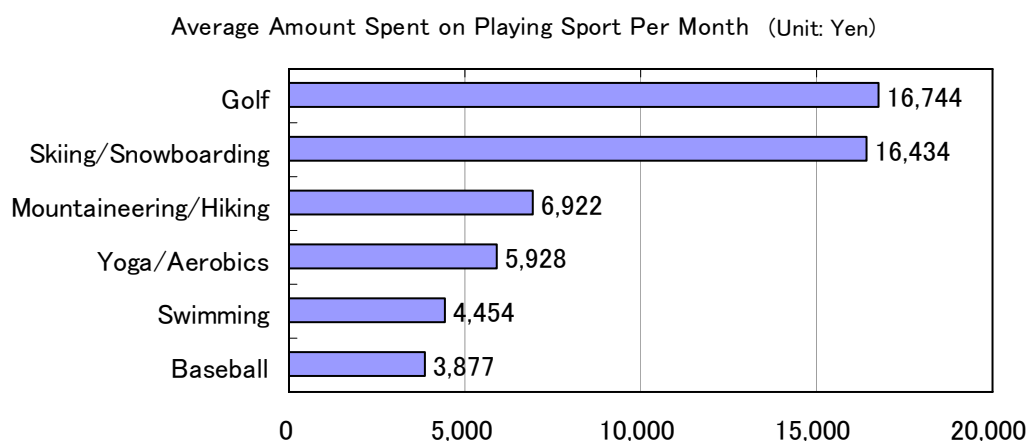
Note: Each sport was calculated against the population of respondents who participate in the sport on a regular basis (Sports with at least 100 samples were examined)

(Source: Hill Net survey)

- **Golf, Skiing/Snowboarding are the most expensive sports *sei-katsu-sha* take part in**

We also asked respondents how much money they spend on participating in sport. Golf (¥16,744) and Skiing/Snowboarding (¥16,434) were the two most expensive sports. Conversely, the amount spent on Yoga/Aerobics (¥5,928), the most carried out sport, was well back in 4th place.

While frequency of playing sports like golf, skiing and the like may be low, the overall cost is high on account of the equipment needed and the cost of playing.



Note: Each sport was calculated against the population of respondents who participate in the sport on a regular basis (Sports with at least 100 samples were examined)

(Source: Hill Net survey)

About Hakuhodo Foresight

Hakuhodo Foresight is a specialist consulting team that develops future insight and future scenarios for markets and companies using Demand-Side Innovation. In Demand-Side Innovation, innovation is not about new technological discoveries or booms that are here today and gone tomorrow, but instead paradigm shifts in society and among *sei-katsu-sha* that link these to create new tides. As technologies and products are accepted by and spread among users, their social value and markets change spontaneously, leading to new innovations. These are the basis of our vision of the future.

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■ About Hakuhold Inc.

Founded in 1895, Hakuhold Inc. (www.hakuhold.jp) is the second largest advertising company in Japan, and the tenth largest core agency in the world according to *Advertising Age's* agency report 2006. Today, innovation and creativity are still at the heart of its operations. Hakuhold shares with its clients an unmatched depth of knowledge about the relationship between people and brands – knowledge that has grown from the concept of *sei-katsu-sha* (“consumers with a heartbeat”) which Hakuhold pioneered in advertising. Through its global network, Hakuhold provides comprehensive marketing and communications services and solutions for some of the best-known brands in the world. Hakuhold has 64 offices in 16 countries/regions, and approximately 5,000 employees.

Sei-katsu-sha insight is the foundation for Hakuhold's thinking, planning, and brand building. It reminds us that consumers are more than shoppers performing an economic function. They have heartbeats. They are individuals with distinct lifestyles. Hakuhold introduced this term in the 1980s to emphasize our commitment to a comprehensive, 360-degree perspective on consumers' lives.

Hakuhold is one of three advertising agencies under the umbrella of Hakuhold DY Holdings Inc. (TSE: 2433) (<http://www.hakuhold-dy-holdings.co.jp/english/index.html>) a holding company which was established in 2003 through the management integration of Hakuhold Inc., Daiko Advertising Inc. and Yomiko Advertising Inc. Hakuhold DY Holdings Inc. was listed on the first section of Tokyo Stock Exchange in 2005.