

Introducing our New Visual Identity



On May 1, 2008, Hakuhodo unveiled a radically new visual identity, reaffirming our mission and heralding the beginning of a new era for our 110-year-old agency. The unveiling coincided with the relocation of our headquarters to Akasaka Biz Tower, one of the premier creative business complexes in Tokyo.

The main element of our new VI, which also includes a new logotype and color scheme, is a new group logo, which the agency calls The Big Colon. Just as the punctuation mark colon establishes a relationship between two things, the Big Colon symbolizes our role as a vital link between brands, *sei-katsu-sha**, media and ideas. And just as a colon serves to focus attention on a subject, the Big Colon represents our ability to create buzz around the brands and companies we serve.

Brand : Idea : *Sei-katsu-sha* : Media : At the center of any configuration, Hakuhodo gives more meaning to the relationship, expanding the discourse and creating new avenues of dialogue.

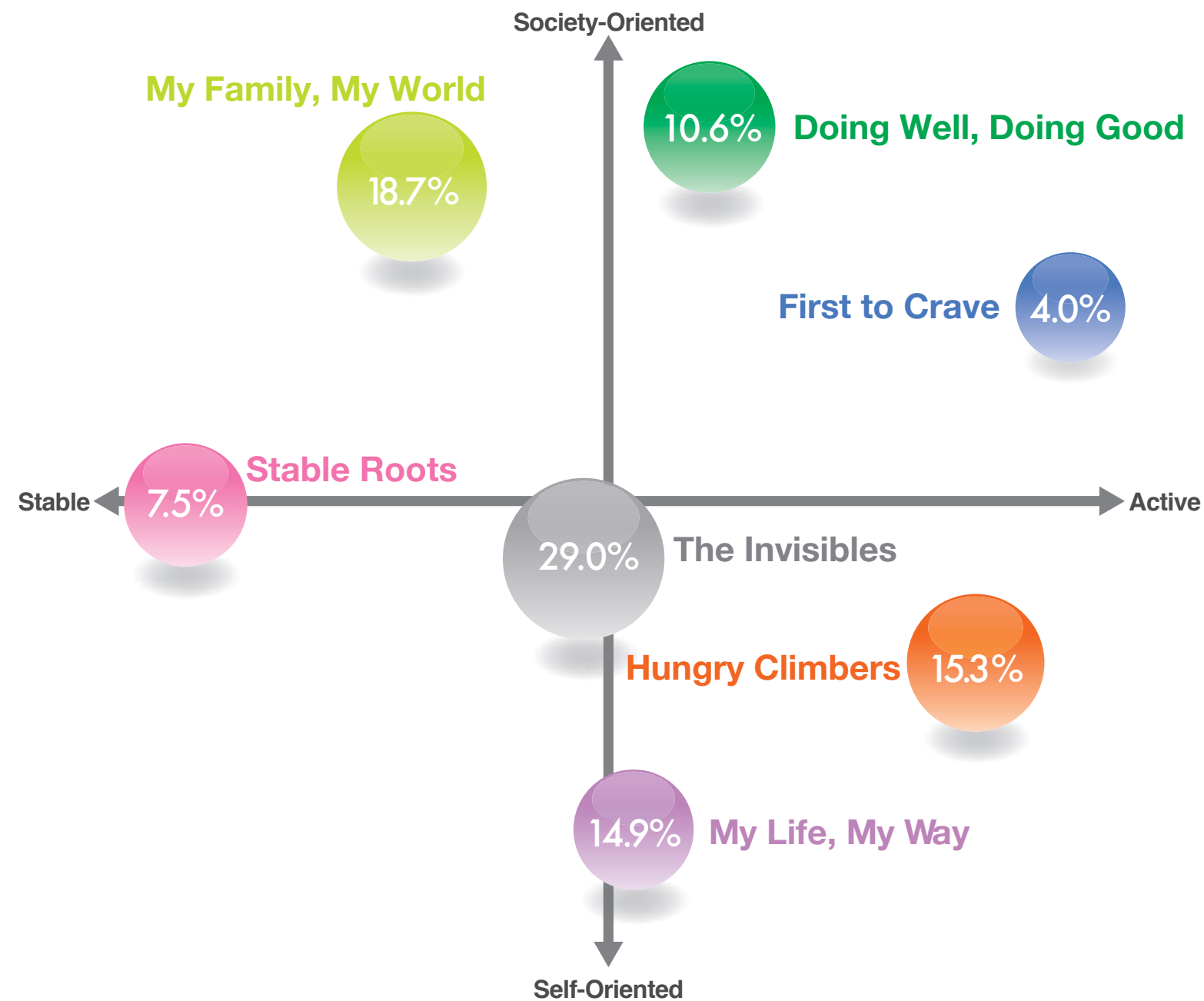
Note : The Japanese term *sei-katsu-sha*, which literally means "living person," is the heart of Hakuhodo's advertising approach. In contrast to the term Japanese marketers typically use for consumer, *sei-katsu-sha* expresses a holistic person with a lifestyle, aspirations and dreams: in other words, an individual.

Seven Global Clusters

Asian Perspectives



Seven Clusters in 16 cities in the world



Making a HABIT of insight

Hakuhodo's R&D Division has been conducting research in Asia for more than a decade. In previous reports, we have explored such topics as *Post-Millennium Asia's First Decade: Durable Goods Penetration*, *Analyzing Asia's 20-Somethings*, and *Asian Women—New Lives, New Aspirations*. In this report, we add data from New York, Frankfurt, Sao Paulo, and Moscow to data from twelve Asian cities to expand the

reach of our comparisons. Our cluster analysis reveals the presence of seven clusters that are now found, in varying proportions, worldwide. Considering these clusters will be useful when thinking about global branding and communication strategies and how to adapt them to distinctive features of local and regional markets.

Hakuhodo Global HABIT

The data reported here are only a subset of results from Global HABIT research. Global HABIT research using HABIT methodology developed by Hakuhodo in Japan is now

conducted in 34 cities around the world. Our aim is to be the single best single source for the data and consumer insights that Hakuhodo clients need to grow their businesses worldwide.

The data used in this report

Global HABIT collects large-sample, longitudinal data on topics including lifestyles, values, media contact, brand reputation and consumption behavior. Subjects are evenly divided between males and females, age 15–54. The data for this report was

collected in sixteen cities: Hong Kong, Singapore, Taipei, Seoul, Kuala Lumpur, Bangkok, Metro Manila, Jakarta, Ho Chi Minh City, Mumbai, Shanghai, Frankfurt, New York, Sao Paulo, Moscow, and Tokyo. Total n=12,800.

Seven Clusters with Different Tastes and Lifestyles

Doing Well, Doing Good

Sensitive to what others think about them, they want to be successful and to enjoy life.

Lifestyle/Consumption/Information Consciousness

- Want to help those who are weak or in trouble
- Give their all for society and friends
- Want to achieve something by working hard
- Want work that allows self-expression
- Enjoy meeting new people
- Compare prices before purchase
- Prefer stores that offer helpful advice
- Are concerned about the countries in which the products they purchase are made
- Have their own ways of gathering information
- Are always passing along new information to others
- Frequently obtain information from websites

- See apparel as a form of self-expression
- Always eat breakfast
- Read food labels carefully
- Concerned about proper nutrition
- Constantly monitor their own health
- Careful not to gain weight
- Have ways to cure psychological fatigue

Attitudes toward Work

- See it as important to display talent and taste

The Man/Woman They Want to Be

- Since goals are individual, no one philosophy



First to Crave

Sensitive to what others think about them, they want to be successful and to enjoy life.

Lifestyle/Consumption/Information Consciousness

- Want to enjoy the stimulation of trendy, new things
- Want a better-paying job
- Want to be noticed and respected by others
- Want a high social position
- Immediately try new products
- See brand-name products as having their own value
- Find information on media websites
- Are eager to be the first to know
- Spend and will spend more on education and training for themselves

Attitudes toward Work

- Want jobs that require sophisticated tastes

The Man/Woman They Want to Be

- Successful career



My Family, My World

A happy family is No. 1 goal. Careful in all aspects of life. Gather information of value to family, want to be smart shoppers.

Lifestyle/Consumption/Information Consciousness

- Family is No. 1
- Eager to help those who are weak or in trouble
- Want to purchase products from eco-friendly companies
- Carefully compare prices before making purchases
- Read food labels carefully
- Prepare healthy meals
- Want more shared space vs more private rooms
- Spend and will spend more on children's education
- Spend on medical check-ups and treatment

The Man/Woman They want to Be

- Someone who puts family first



My Life, My Way

For members of the My Life, My Way cluster personal enjoyment, in their own unique style, is their highest priority.

Lifestyle/Consumption/Information Consciousness

- Want to live as they like
- Want to enjoy a fun, interesting life
- Leave TV on even if there is nothing they particularly want to watch
- Don't feel resistance to eating out by themselves
- See apparel as a form of self-expression
- Spend on hobbies
- Would like to spend more on education for themselves

The Man/Woman They Want to Be

- Someone with their own tastes and style
- Less interested in success at work



Hungry Climbers

Strongly focused on visible affluence and getting ahead. Want to enjoy today without falling behind.

Lifestyle/Consumption/Information Consciousness

- Want an enjoyable, interesting life
- Want to enjoy the stimulation of trendy, new things
- Want to be rich
- See money as symbol of success
- Score below average on wanting to contribute to society, desire for stability, and being health-conscious
- Spend and will spend more on socializing, clothes for going out in, and appearance
- Have little if any savings

Attitudes toward Work

- Want a job envied by others
- Want work place with a first-class feeling



Stable Roots

Strong believers in traditional values. Want to lead stable, healthy lives. Cherish relationships with those around them.

Lifestyle/Consumption/Information Consciousness

- Want to be physically healthy
- Want to lead a relaxed, stable life
- Strong advocates of men work, women stay at home
- Attach great importance to close relationships
- Carefully plan their shopping
- Channel-surf multiple TV programs at the same time
- Not fashion-conscious
- Pay little attention to outside world as long as life at home is good

Attitudes toward Work

- Want to be socially and economically successful

The Man/Woman They Want to Be

- Someone who puts family first



The Invisibles

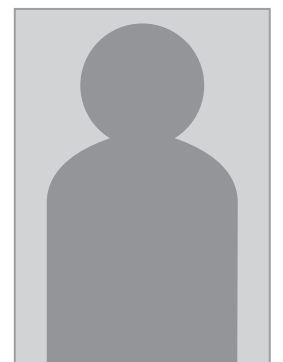
Unambitious and with few complaints, they get on with life, accepting the world as is.

Lifestyle/Consumption/Information Consciousness

- Not driven to seek a more affluent lifestyle
- Desire to contribute to society is weak
- Nothing comes to mind as something they want now
- Don't worry about keeping up with the information society
- Prefer established styles and good, basic apparel
- Don't feel physically or mentally exhausted
- Don't suffer from lack of sleep
- Spend and would like to spend more on food, clothes, and communication (telephone, mobile phone, Internet)
- Would like to be able to save

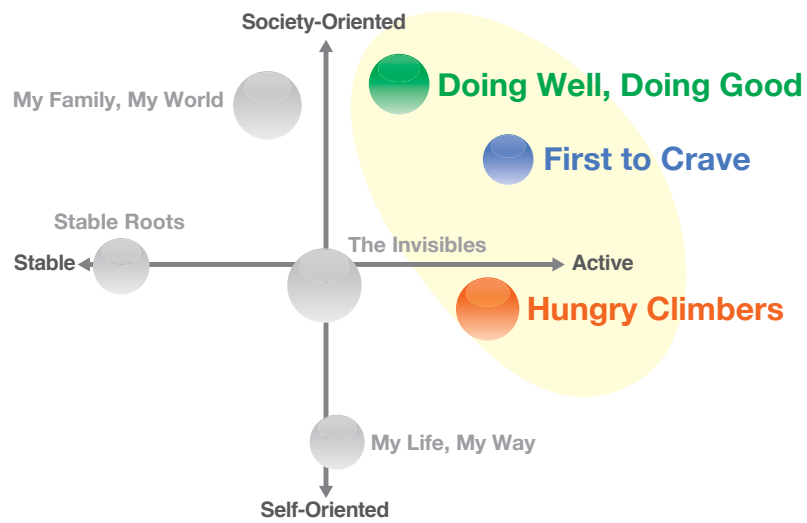
The Man/Woman They Want to Be

- There is no particular ideal to which they aspire



Economically Active Segments

These high-potential segments sustain economic growth in all of our markets. Since their tastes are similar across markets, global or regional strategies may be appropriate.



Doing Well, Doing Good 10.6%

They want to contribute to society as well as achieve personal success. Have a firm grasp of personal values and seek good balance in their lives. Members of this new, emerging segment want to succeed, but they also want to lend a hand to those in need and place great importance on their relationship to society. Good balance in their lives is important to them. They have preferred ways of gathering information and are particular about food safety, good health and where they live. Quality of life is a big issue for them. They lead the trend toward ethical shopping.

First to Crave 4%

They want to succeed at work and they want to have fun. They care about what others think of them. Members of this active segment are strongly career-oriented, they want better paying, higher status jobs and are always concerned about how others see them. Brand and class-conscious, these greedy consumers of information enjoy the stimulation of the new and trendy. They may care about society, but they invest in self-improvement.

Hungry Climbers 15.3%

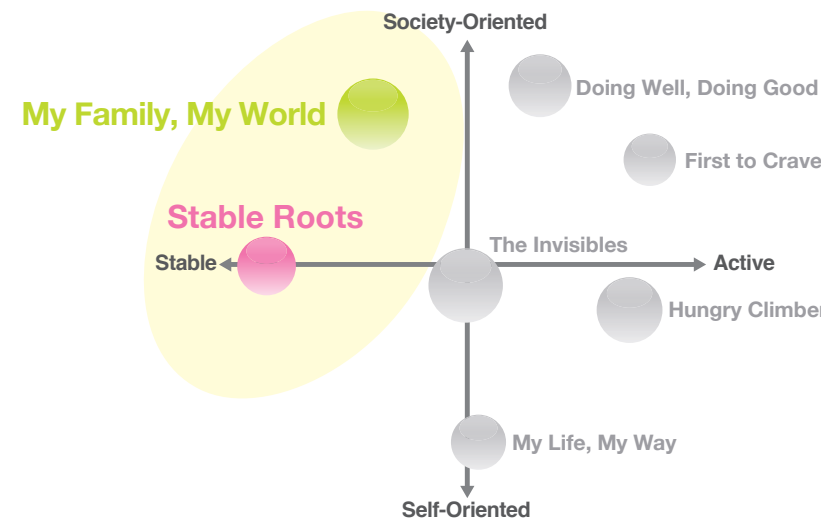
Hungry for the external signs of affluence and advancement, they fear falling behind and want to enjoy life. Their income and education levels are relatively low, but they are eager to achieve first-class status and be envied by others. Money equals success. Highly trend- and fashion-conscious, they are sensitive about how others see them and worry about appearance and social life. They are risk takers for whom success is more important than stability. They are careless about what they eat, where they live, and their health. Their concern for others is low.

	Preferred Lifestyles (%)														
	Helping others in need	Doing their best for society, friends	Enjoy meeting new people	Prefer a stable and secure life	Want a stimulating, exciting life	Family happiness is No. 1	Recognition and respect from others	Work through which to express themselves	Want to be able to live as they like	Want to be affluent, economically well off	Want a higher income job	Want stimulation of the trendy and new	Want to achieve high social position	See money as a status symbol	Men should work, women stay at home
Doing Well, Doing Good	83.9	80.7	80.6	75.2	74.1	73.9	68.5	66.3	65.8	61.6	60.7	39.5	38.6	29.7	27.0
First to Crave	72.5	70.7	71.3	72.1	84.5	70.3	80.8	72.3	77.5	66.1	78.5	73.8	65.9	68.4	56.4
Hungry Climbers	16.7	22.2	40.3	39.9	55.9	32.0	39.2	28.8	44.9	43.4	36.8	46.1	38.3	41.4	27.5
My Family, My World	72.4	64.7	50.0	71.8	52.2	71.9	34.6	32.0	46.5	39.3	27.9	13.6	8.0	15.2	23.5
Stable Roots	21.2	9.5	15.6	76.6	25.8	52.4	9.8	17.8	10.1	47.6	19.7	6.7	16.2	37.6	31.7
My Life, My Way	30.1	34.8	55.7	63.5	63.7	48.9	37.8	29.8	84.7	44.7	31.0	20.9	16.3	28.0	12.0
The Invisibles	19.0	15.9	29.3	42.1	34.2	34.8	14.9	13.1	17.0	20.5	14.4	8.9	8.4	14.9	11.6

	Consumption (%)								Information (%)					Values (%)			
	Compare prices before purchase	Want useful advice from sales people	Tend to try new products immediately	Brand-conscious shoppers	Prefer products from environment-friendly companies	Judge others' social status by the brands they own	Impulse shoppers	Word-of-mouth is important	Have own ways to gather information	Ads are sources of product/company information	Can't live without their mobile phones	Find information on media websites	Want latest information earlier than others	An environment-conscious life is fun	An environment-conscious life is too much trouble		
Doing Well, Doing Good	70.8	60.9	52.5	49.8	37.2	32.5	25.4	67.8	56.4	54.4	52.0	50.3	36.3	81.7	18.3		
First to Crave	63.6	60.1	61.6	56.8	38.6	51.6	47.1	65.9	53.9	56.4	63.2	52.5	44.0	72.8	27.5		
Hungry Climbers	40.3	33.0	36.1	36.1	14.2	31.8	33.0	41.8	33.6	28.4	46.5	25.4	25.4	65.8	34.2		
My Family, My World	64.0	46.8	37.7	36.7	32.3	22.8	22.7	59.3	34.9	45.3	42.5	39.6	24.3	77.6	22.4		
Stable Roots	56.1	25.9	27.5	25.8	20.3	24.3	18.3	34.1	33.5	32.2	30.2	17.1	13.0	72.5	27.5		
My Life, My Way	57.3	38.8	38.6	35.0	21.5	23.7	25.6	54.2	34.9	36.0	44.8	31.8	23.8	70.0	29.9		
The Invisibles	44.8	23.6	22.6	21.7	11.4	13.8	17.5	35.7	23.9	21.5	36.8	20.1	15.5	71.8	28.2		

Family First Stability Seekers

These two clusters are similar in putting family first, but they differ significantly in household structure and family roles. Marketing and communication must pay close attention to these local differences in markets.



My Family, My World 18.7%

Having a happy family is priority No. 1 for this group. Careful in all aspects of their lives, its members are smart shoppers who actively pursue information. Since family is No. 1, they pay little attention to trends or what others think. Concerned about family safety, they are information gatherers and put aside money for savings, health check-ups and preventive medicine. They are price-conscious comparison shoppers who want advice from sales people. They favor products from companies that take environmental issues seriously and are also highly likely to want to lend a hand to others in need.

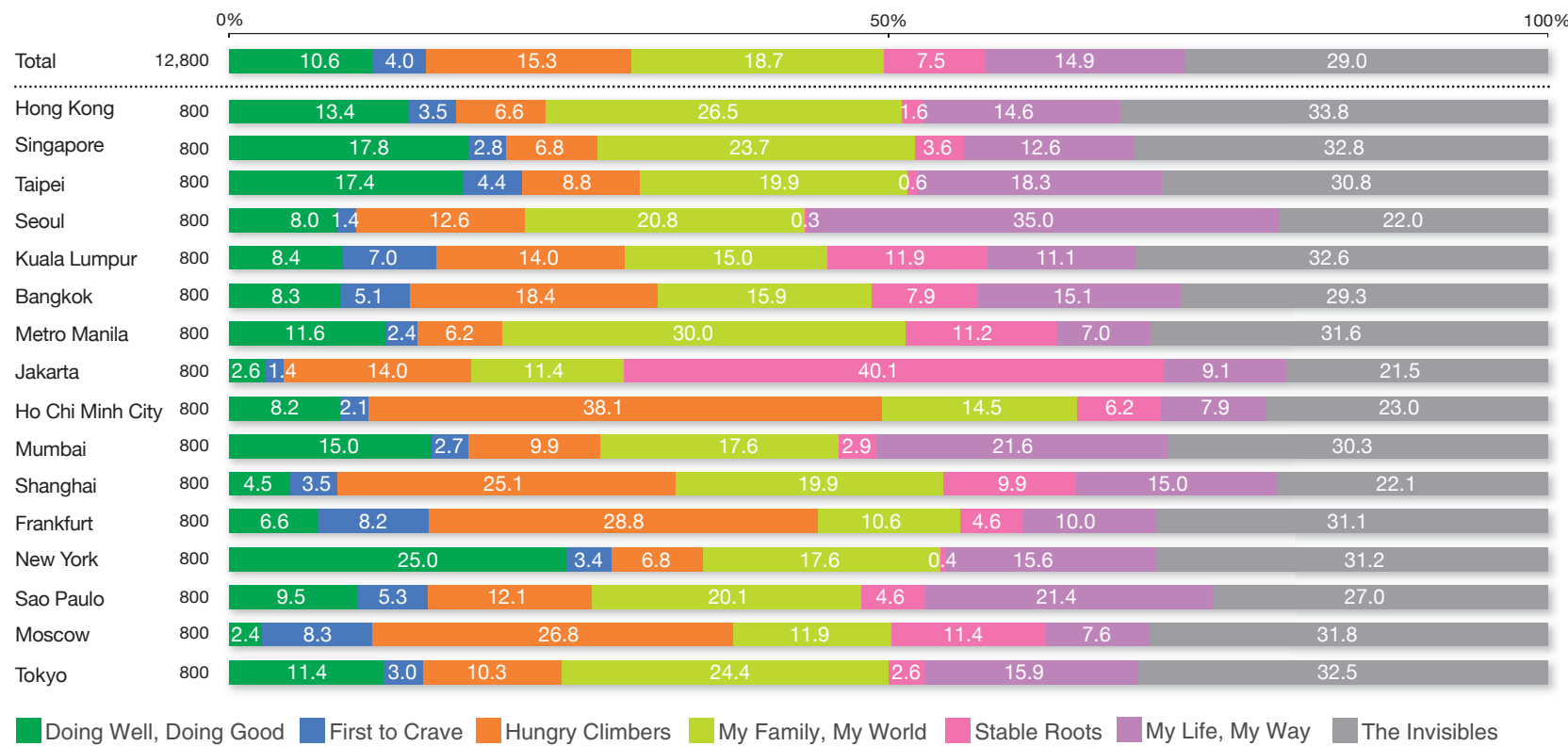
Stable Roots 7.5%

Members of this group place great importance on traditional values and want to lead stable, healthy lives. They are starting to seek greater affluence as a way to protect their families. The ideal is a traditional big family, in which men go out to work and women stay at home. A safe, stable life is their strongest desire. They would, however, also like to be economically affluent. Their tendency to see money as the symbol of success is stronger than that of those in the My Family, My World cluster. At work they want to achieve both social and economic success. Lower incomes mean weaker expectations of leading an enjoyable life and desire to lend a hand to others.

	Clothing (%)			Diet (%)				Residence (%)			Work (%)				
	Clothes display who they are	Clothes to attract the opposite sex	Fashion-conscious	Prefer eating at home	Careful to eat healthy food	Read food labels carefully	Consume lots of ready-to-eat food	Keeping the family safe is No. 1	Interested in interior decoration (own home)	Want more shared space vs more private rooms	Displaying taste and talent is important	Aiming for social and economic success	Aiming for high status	Want a first-class work atmosphere	Want work that others envy
Doing Well, Doing Good	73.4	40.2	36.7	57.4	54.4	51.6	21.6	78.5	59.4	45.7	90.7	75.2	73.2	64.7	51.4
First to Crave	67.9	56.7	41.9	56.7	51.4	44.5	34.3	69.7	56.5	37.4	80.6	75.4	81.2	71.5	61.2
Hungry Climbers	58.9	39.4	32.2	36.4	37.5	30.0	22.2	58.1	39.3	24.4	74.0	69.0	70.6	64.3	54.0
My Family, My World	63.6	28.0	21.1	59.0	50.3	44.5	15.5	72.2	51.2	39.0	81.7	64.8	55.9	52.7	37.0
Stable Roots	59.0	23.1	15.1	51.6	50.6	28.7	11.0	66.8	37.2	26.5	77.5	78.6	63.3	52.3	30.5
My Life, My Way	64.0	27.7	25.8	48.4	41.3	38.2	17.8	66.3	42.4	31.3	79.7	69.4	60.5	54.4	44.2
The Invisibles	48.2	18.2	18.1	43.6	32.9	24.7	12.6	54.5	31.6	23.1	72.6	62.6	55.0	52.0	40.2

	Spend Money On (%)								Want to Spend More On (%)							
	Communication (phones, mobile phones, internet)	Saving	Socializing (restaurants, bars)	Clothes to go out in	Health (check-ups, preventive medicine)	Beauty (hairdressing and salon treatments)	Further education/self-cultivation	Children's education	Communication (phones, mobile phones, internet)	Saving	Socializing (restaurants, bars)	Clothes to go out in	Health (check-ups, preventive medicine)	Beauty (hairdressing and salon treatments)	Further education/self-cultivation	Children's education
Doing Well, Doing Good	79.1	67.9	63.7	61.7	49.9	41.8	36.9	36.6	67.8	67.6	52.9	54.3	50.9	39.7	38.4	43.1
First to Crave	78.0	63.4	63.2	69.3	50.2	54.9	46.7	31.7	67.9	57.1	56.7	62.4	50.2	52.2	47.2	38.6
Hungry Climbers	75.9	52.3	58.6	62.9	31.6	45.1	30.5	29.2	64.9	51.8	49.7	57.9	37.2	42.0	32.6	33.5
My Family, My World	79.8	65.3	50.9	55.0	45.8	42.6	29.2	45.3	63.0	60.8	41.8	48.6	42.6	36.9	30.8	45.1
Stable Roots	74.5	61.4	32.8	50.9	39.3	27.7	17.8	48.3	61.6	60.7	28.2	46.3	37.6	24.5	17.2	48.6
My Life, My Way	74.7	59.9	53.0	59.2	37.1	42.6	30.9	34.6	58.6	56.2	40.1	48.4	36.0	34.3	31.8	34.9
The Invisibles	68.1	54.4	44.0	46.7	33.3	34.0	23.6	37.3	54.1	52.7	35.5	39.9	32.7	30.0	22.1	36.3

Defining the Shape of Local Markets: Cluster Distribution by City



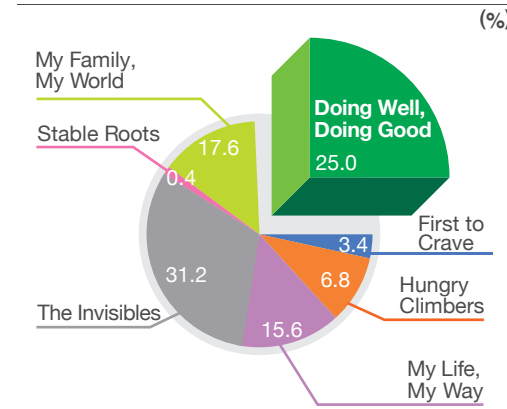
The largest Doing Well, Doing Good clusters are in New York, Singapore, and Taipei.
The largest First to Crave clusters are in Kuala Lumpur, Moscow, and Frankfurt.

Hungry Climbers are most numerous in Ho Chi Minh City, Moscow and Frankfurt.

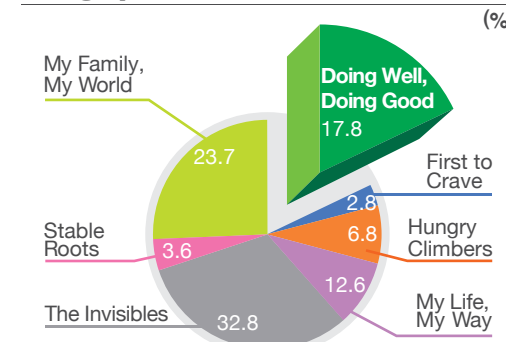
The largest My Family, My World clusters are in Metro Manila, Hong Kong and Tokyo.
Jakarta has the largest by far Stable Roots cluster.

The My Life, My Way cluster is larger in Seoul, Mumbai, and Sao Paulo. A large cluster, 20% or more, in every city is The Invisibles.

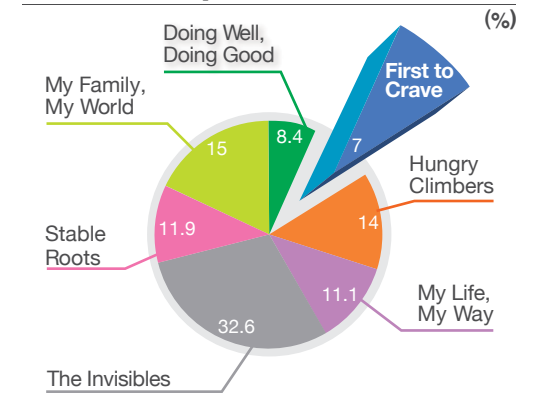
New York



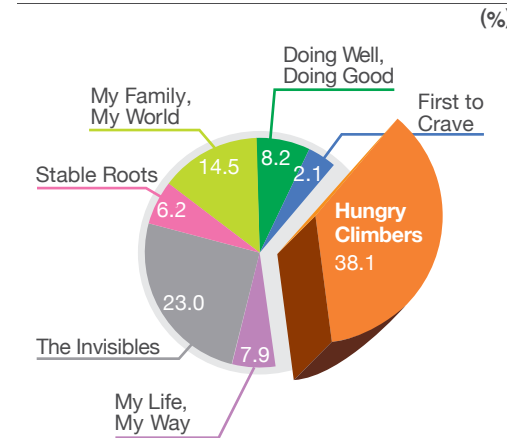
Singapore



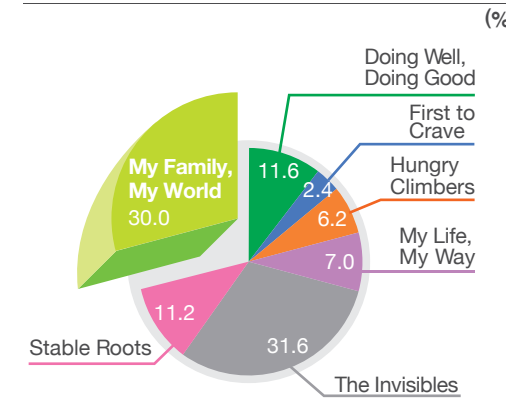
Kuala Lumpur



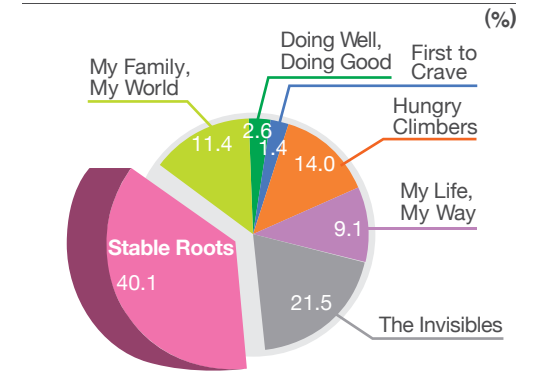
Ho Chi Minh City



Metro Manila



Jakarta



Summary

How far should you go with global integration? How far with localization?

For HakuHodo clients who undertake global branding, how to “glocalize” their marketing and communication is a constant concern. How far should they go in insisting on global consistency? How far do they need to consider conditions specific to local markets? To assist them in finding the right answer, this year we added a global perspective to research conducted in advanced and emerging economies in Asia, adding surveys in New York, Frankfurt, Sao Paulo, and Moscow.

Our cluster analysis suggests that how far you go with either global integration or localization should depend on the cluster you intend to target with your product or service. Broadly speaking, however, we see three possible strategic directions.

Global demands, family first, or just for me

Consumers in three of our seven clusters, Doing Well, Doing Good, First to Crave, and Hungry Climbers are similar the world over. Their numbers may vary depending on the local market's stage of economic development but all are eager participants in global consumer culture, making global integration a strong possibility. (You might, for example, use the same global strategy when targeting members of the Doing Well, Doing Good cluster in New York, Singapore and Taipei.)

Consumers in two of our seven clusters, My Family, My World and Stable Roots, both put family first. But not all families are similar. For instance, Stable Roots families in Jakarta form classic patriarchal households. Among members of the My Family, My World cluster, family structure and family relationships are different in Metro Manila, Hong Kong and Tokyo, reflecting differences in the local culture. Marketing and communications that appeal to family values may need localization to match local ideas of what a family should be.

Finally, we note the growing presence in many markets of the My Life, My Way cluster, whose members' involvement with both family and society at large is weak. To reach them successfully, a more personal “just for you” approach may be needed.

Society-oriented? What does it really mean?

Members of both the Doing Well, Doing Good cluster, which emerges as economies and markets mature, and the My Family, My Life family-first cluster are society-oriented. Both are concerned with social and environmental issues and want to lend a helping hand to those in need. But the scope of their aspirations differs. To members of the My Family, My Life cluster, “society” is the local community, relatives and neighbors. In contrast, members of the Doing Well, Doing Good cluster are cosmopolitan. The “society” they are concerned about includes global environmental and humanitarian issues. Their active concern with ethical consumption marks the emergence of new and important consumer segment worldwide.

HakuHodo Global HABIT is an annual survey conducted in 36 major cities around the world, providing information that allows comparisons between cities and observation of trends in individual cities. This single-source survey focuses on respondents' lifestyles, value systems, media preferences, purchases, usage of and perceptions toward a variety of brands and goods. Armed with this data, users and supporters (i.e. future customers, adherents, and fans) of brands can be analyzed.

Cities:
Shanghai, Beijing, Guangzhou, Dalian, Shenyang, Wuhan, Chengdu, Fuzhou, Hangzhou, Ningbo, Xian, Hong Kong, Taipei, Bangkok, Seoul, Singapore, Kuala Lumpur, Metro Manila, Jakarta, Ho Chi Minh City, Delhi, Mumbai, Sydney, New York, Los Angeles, Chicago, London, Paris, Berlin, Frankfurt, Milan, Madrid, Moscow, Sao Paulo, Tokyo, Osaka

Respondents:
Either 500 or 800 males and females aged 15–54 per city, except in Japan where 5,000 persons in total were interviewed in Tokyo and Osaka. The total number of persons interviewed was 19,000 worldwide. Based on screenings by household income, survey responses were obtained from persons in the middle/high income bracket of each city (50–90% of the urban population).

Power *sei-katsu-sha* account for approx. the top 10% of income earners in each city. Due to their strong spending habits, active lifestyles, and high information awareness, power *sei-katsu-sha* are consumption leaders with significant power in the market. By paying attention to such power *sei-katsu-sha*, it is now possible to analyze the relationships between brands and consumers with strong purchasing power.

Main Items Surveyed (some apply only to China and other Asian countries):

• **Sei-katsu-sha* characteristics**
Demographics, lifestyle, media contact, information gathering skills, consumer habits, hobbies, sports, travel, ownership of durable goods, brand recognition, travel, housing, and more.

• **Products and brands**
Product usage and brand evaluation (using HakuHodo's own Bonding & Voice branding metrics): Passenger cars, motorcycles, AV products, home electrical appliances, personal computers, printers, mobile phones, digital cameras, cameras, copiers, wristwatches, game consoles, alcoholic drinks, non-alcoholic drinks, toiletries, cosmetics, and more.

Survey period:
May–August 2010

* *Sei-katsu-sha*
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 consumers' lives.

