



News

博報堂 広報室

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“Title Energy,” the energy of new Chinese *sei-katsu-sha* who are
 transforming consumption behavior
 HakuHodo Institute of Life and Living Shanghai offers new corporate
 marketing perspectives

Tokyo—December 16, 2016—HakuHodo Institute of Life and Living Shanghai (HILL Shanghai), a fully owned subsidiary of HakuHodo Inc. (Minato-ku, Tokyo; Hirokazu Toda, President & CEO), Japan’s second largest advertising company, announced findings from its latest research on December 16 in Beijing, China.

HakuHodo Institute of Life and Living Shanghai has unveiled new perspectives for corporate marketing under the banner of *Title Energy*.^{*} Through a joint research project with the Communication University of China’s School of Advertising, HakuHodo Institute of Life and Living Shanghai has focused on a recent movement in which Chinese *sei-katsu-sha*^{**} who start their own businesses or work on the side have been creating profound changes in consumption behavior. We have dubbed the impact these entrepreneurs bring about *Title Energy*.

ゲン ノウ
 銜能



Relying on the Internet and smartphones, soaring numbers of *sei-katsu-sha* in China have, with little fanfare, been launching businesses and starting second jobs centered on their interests or special skills. Some of these enterprising *sei-katsu-sha* have spotted social needs overlooked by corporations and crafted businesses to fulfill them. As a result, the livelihoods of many people have started to improve. This movement has been triggered not by individual startups but by a multiplicity of simultaneous events, and the resulting cascade is beginning to reshape consumption behavior.

We coined the word *Title Energy* to describe the energy these men and women are bringing to the marketplace. *Title Energy* is set to propel transformations in *sei-katsu-sha* consumption behavior and furnish companies with the following new marketing perspectives:

- (1) *Appearance of sei-katsu-sha with dual frames of reference—the materialization of “self+” consumption needs*

More and more *sei-katsu-sha* examine the world through dual frames of reference: their personal frame of reference and a societal frame of reference. With two frames of reference, *sei-katsu-sha* are unearthing not only their own needs but also the needs of people around them and the needs of the public at large. You could say so-called “self+” consumption needs are materializing.

(2) *Transformed relationship between sei-katsu-sha and corporations—emergence in the interactions between sei-katsu-sha and corporations*

Sei-katsu-sha bearing Title Energy will possibly act as experts for corporations, providing them with new product and business perspectives. Emergence in the interactions between corporations and *sei-katsu-sha* is also envisioned in such specialized domains as development, distribution, and sales.

(3) *Formation of networks in consumer society driven by sei-katsu-sha—the birth of brand new systems of consumption targets*

Brand-new needs will likely promote networking among *sei-katsu-sha*, who are both sellers and buyers, as well as among sellers. Their action to re-bundle goods and services to suit new needs is expected to spawn a series of brand new systems of consumption targets.

Those *sei-katsu-sha* who pick up on social needs will have “titles” attached to their names to play a role in improving people’s livelihoods. A multitude of *sei-katsu-sha* who have earned titles will appear simultaneously in society to fulfill social needs in all sorts of domains. The source of this huge wave of renewal will be Title Energy.

Hakuhodo Institute of Life and Living Shanghai will continue pursuing research themes in this project, while observing, from unique vantage points, Chinese *sei-katsu-sha* and offering insights from new angles.

**Title Energy* (“銜能” in Japanese, “衔能” in Simplified Chinese) is coined from the Chinese words *tóu xián* [title] and *néng liàng* [energy].

***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 its commitment to a comprehensive, 360-degree perspective on consumers’ lives.

Reference 1

Hakuhodo Institute of Life and Living Shanghai

Hakuhodo Institute of Life and Living Shanghai, a wholly-owned subsidiary of Hakuhodo Inc. of Japan, is a think-tank established in Shanghai in 2012 to serve the Hakuhodo Group in China. Leveraging *sei-katsu-sha* research know-how amassed in Japan, the Institute supports companies' marketing activities in China, while developing local insights and making proposals on future ways of living in China.

Key current activities:

- The Dynamics of Chinese People: Research that intuits the true desires of *sei-katsu-sha* and puts forward ideas for new ways of living
- New method development: Development of new methods that contribute to companies' marketing activities
- New viewpoint proposal: Offering new ways of looking at *sei-katsu-sha* and markets

The fruits of these activities are provided to customers through the Hakuhodo Group's offices. Some of the results are also made public via presentations of research findings, the Hakuhodo Institute of Life and Living Shanghai's website, publications and other means.

The Dynamics of Chinese People is a joint research project conducted by HILL Shanghai and the Communication University of China's School of Advertising that uncovers new *sei-katsu-sha* behaviors and desires and reports research findings. The Un-Framing Consumption findings are the project's third set of findings, following its Whirlpool Creation findings in 2013, Information Bees findings in 2014 and "Un-framing Consumption" in 2015.

■ About Hakuhodo Inc.

Founded in 1895, Hakuhodo Inc. is an integrated advertising and communication agency headquartered in Japan. It is the core agency of Hakuhodo DY Group, the world's seventh largest agency company according to Advertising Age's "Agency Report 2016." Hakuhodo has offices in 17 countries and regions, and over 3,000 employees working in Japan and over 2,500 overseas. Hakuhodo is strengthening its structure in emerging countries, particularly those in Asia, as it prepares to further expand its business across the region.

Sei-katsu-sha insight is the foundation for Hakuhodo'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. Hakuhodo introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree perspective on consumers' lives.

Renowned for its creativity, Hakuhodo has twice won the Grand Prix at Cannes Lions International Festival of Creativity, and was the only agency headquartered in Asia to be awarded a Special Lion commemorating Cannes Lions' 50th anniversary in 2003.

To learn more, visit: www.hakuhodo.jp

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