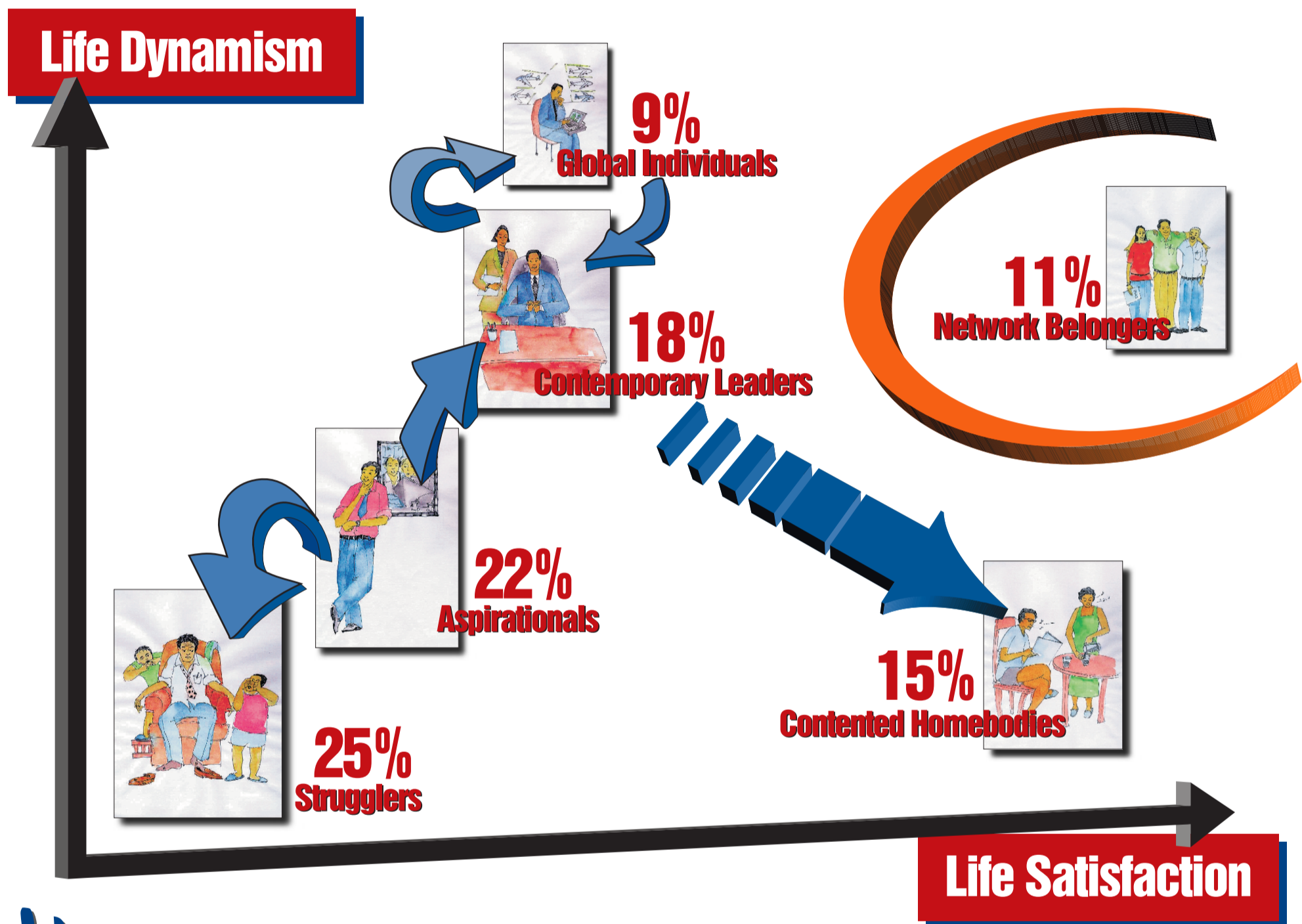


# Beyond National Markets

## New **Breakthroughs** in Cross-National Psychographic Research on Consumer Behaviour in Asia



Hakuhodo, Japan's second largest advertising agency, is famous for introducing *sei-katsu-sha*, the idea that consumers are people with lives that are more than shopping, to the Japanese marketing research arena. Now Hakuhodo has brought the psychographic research expertise developed through years of research rooted in the *sei-katsu-sha* concept to bear on one of Asian marketers' most pressing questions. To what extent does the localisation of global campaigns have to be limited to national borders? The breakthrough study reported here identifies six types of consumers found throughout East and Southeast Asia. Campaigns addressed to commonalities shared by these six types of consumers may have a distinctively Asian flavour, while speaking across borders to reach specific target segments found throughout the region. The potential for both brand management and media planning on a regional scale is vast. The good news is that, despite economic difficulties, there remain large segments of consumers who are active, energetic, and eager for more of the products we sell them.

The chart you see here shows the six types of consumers identified by this study positioned in terms of their dynamism and degree of satisfaction with current lifestyles. Nearly sixty percent belong to types who share a high degree of dynamism and are either leading or aiming to lead successful lives. As opinion leaders and market makers, they will shape a bright future for Asia.

### RESEARCH DESIGN

#### Target

Managers, professionals and entrepreneurs, male and female, aged 20 to 49.

#### Locations

Hong Kong, Singapore, Bangkok, Kuala Lumpur, Manila

#### Sample

Total N = 500

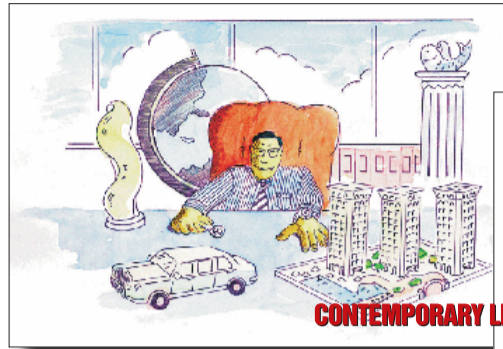
#### Co-operating Research Organisations

Project Coordination: Audits & Surveys Worldwide Asia Pacific Headquarters

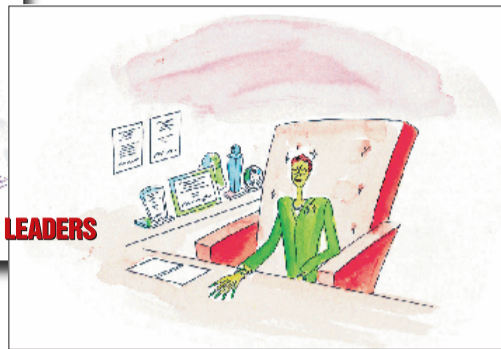
Fieldwork: Audits & Surveys (Manila), Oracle (Hong Kong), Acorn-Omnitrack (Bangkok), AC Nielsen (Singapore and Kuala Lumpur)

Statistical Analysis: Curtin University of Technology (Perth, WA)

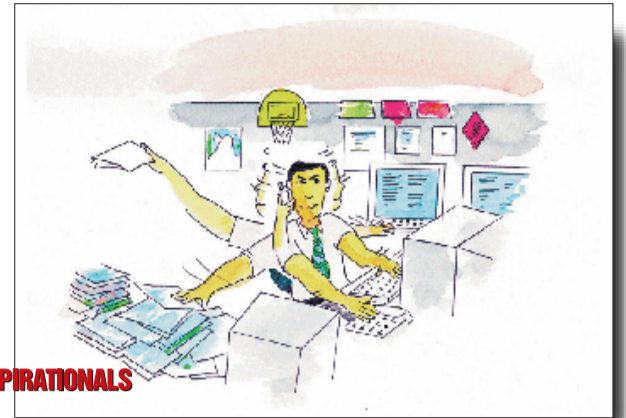
# The Six Types of Consumers



CONTEMPORARY LEADERS



ASPIRATIONALS



## Contemporary Leaders

Dynamic, fun-loving and self-confident, these mainstream Asian business leaders feel a relatively high degree of satisfaction with their lives. Accounting for 18% of our sample, they display the following characteristics.

- \* Bring a passionate, energetic approach to everything they do.
- \* Demonstrate leadership in both public and private life.
- \* Operate on a global scale, both in their concerns and activities.
- \* Optimistic and highly self-confident.
- \* Like shopping, eating out, and getting together with friends.
- \* Like art, antiques and fashion.
- \* Often watch CNN, MTV and STAR Movies on satellite TV.
- \* Often read the lifestyle, leisure, culture, art and travel sections of newspapers.
- \* Frequently own big-screen TVs and often watch horror and romance films.

## Aspirational

A relatively large segment, 22% of our sample. Still young, they are aiming to be tomorrow's business leaders. Not having made it yet, they score lower than Contemporary Leaders on both dynamism and satisfaction.

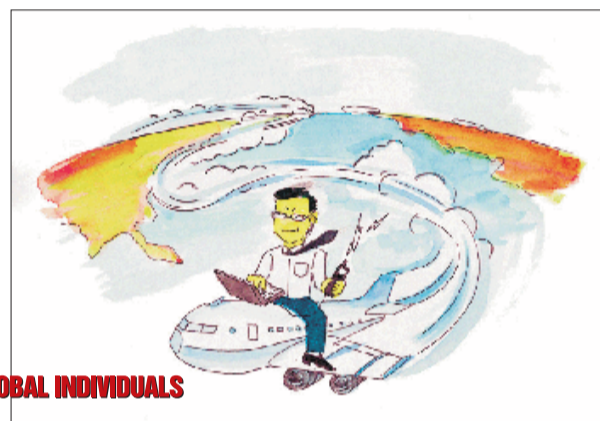
- \* Most are in their twenties.
- \* Driven by a strong desire for success, see Contemporary Leaders as their models.
- \* Strongly influenced by those who have worked overseas and by their foreign counterparts.
- \* Seen by others as likely to succeed.
- \* Spiritual and religious values are important; values are a mixture of traditional and modern.
- \* Like reading, TV, Western pops and concerts and frequently go to movies, especially SF movies.
- \* Participate actively in volunteer and religious activities.
- \* Favourite sports are football and swimming; often attend sporting events.

## Asian Business People Still Filled with Energy

The financial crisis which began with the fall of the Thai bhat against the U.S. dollar in July 1997 raised doubts about the economic outlook for Asia and left many observers gloomy about the possibility of quick recovery. What this study shows, however, is that Asian business people have lost none of their famous drive and energy. As they look to the future, their optimism has not diminished.

For more than a decade, Hakuodo has been conducting regular benchmark surveys of Japanese consumer attitudes. Until 1995, Japanese consumers felt happy with their lives and the overall state of Japanese society. Then, however, their mood became increasingly gloomy. Expecting to see a similar trend in other parts of Asia following the Asian financial crisis, we were pleased to find instead that Asia's current and future business leaders retain the drive and dynamism for which they have long been famous.

Those who belong to our Contemporary Leaders and Global Individuals segments seem especially energetic and forward-looking. Their view of themselves and the future is extraordinarily positive. While the Aspirational see Contemporary Leaders as models, Network Belongers are solidly embedded in family and community relationships that support a sense of well-being relatively independent of economic conditions. In these groups, we see a solid foundation for Asia's return to high growth.

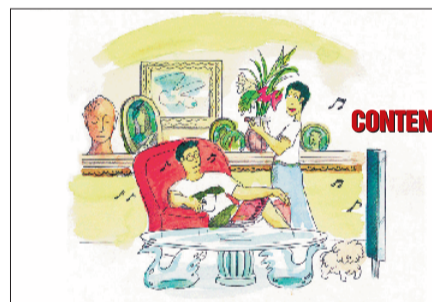


GLOBAL INDIVIDUALS

## Global Individuals

The most dynamic of all our types, Global Individuals tend to be road warriors and heavy users of E-mail. Only 9% of our sample, they are concentrated in Hong Kong and Singapore.

- \* Always flying around the world.
- \* Have extreme self-confidence in own abilities.
- \* Like to find new ways to do things.
- \* Strongly individualistic, value independence.
- \* Avoid traditional ways of thinking and prefer new approaches.
- \* Received higher education overseas.
- \* Comfortable with high-tech business tools; own desktop/ notebook/ palmtop PCs.
- \* Surf the Internet and have their own personal Web sites.
- \* Own GSM model phones usable in both Europe and Asia.
- \* Like movies, computers, music, especially Cantonese pops.
- \* Don't have time to shop.
- \* Read local and national as well as global news.
- \* Often donate to charities.



CONTENTED HOMEBODIES

## Contented Homebodies

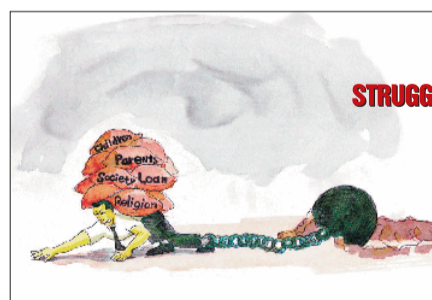
Accounting for 15% of our sample, the members of this group feel that they have achieved a certain level of success and are ready to slow down.

- \* The majority are in their forties.
- \* Feel a sense of achievement; now it's time to slow down and take it easy.
- \* Home and family are their primary; they like to stay at home.
- \* Strongly conservative and inward looking.
- \* Rarely go to movies; TV watching rarely includes love stories or dramas.
- \* Own local, non-GSM cellular phones.
- \* Own automobiles.
- \* Read business and management sections of newspapers.

## Network Belongers

Accounting for 11% of our sample, members of this group are firmly embedded in traditional family and community networks from which they receive support. In both business and private life they prefer tradition over what's new. They are less concerned about economic situation.

- \* Spend most of their time with family, friends and acquaintances and are happy with their lives.
- \* Pay close attention to those around them as close human ties are very important.
- \* Always socialising and care about how they dress.
- \* Often play sports.
- \* Watching local TV is something they do every day.
- \* Own karaoke or video-karaoke machines.
- \* Own RVs used as family cars.

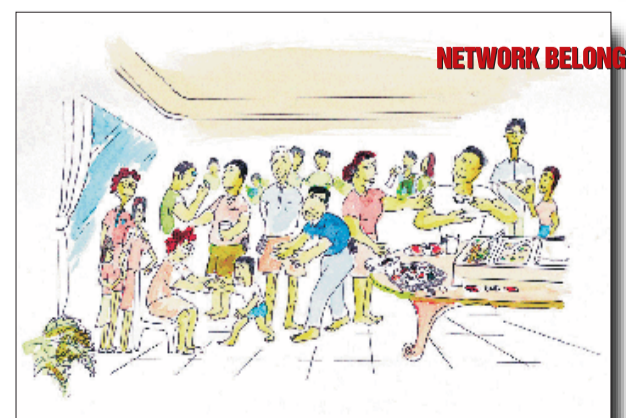


STRUGGLERS

## Strugglers

For 25% of our sample, life is still a struggle. They feel trapped by traditional values, unable to work or live the way they would like. Stress levels are high.

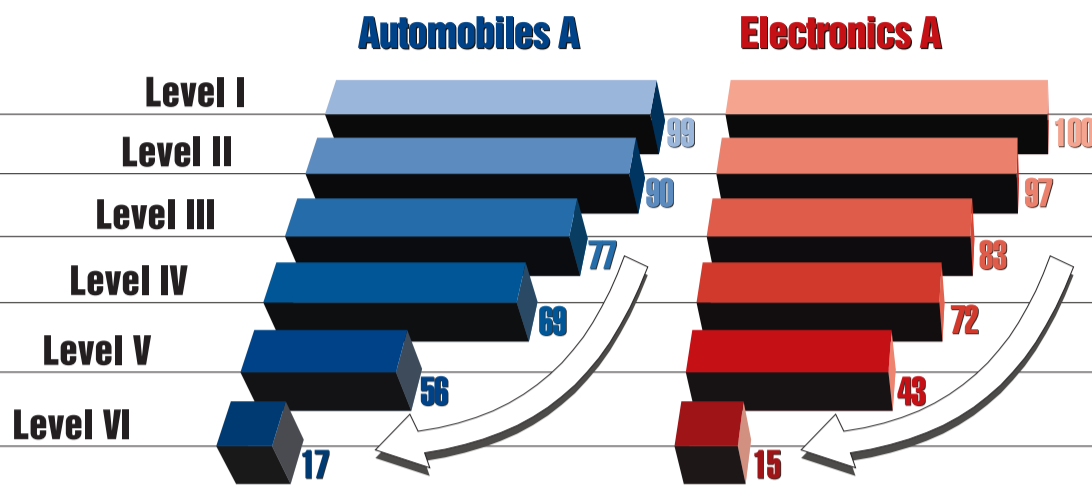
- \* Majority are men in their thirties.
- \* Don't feel happy about their lives; stress and anxiety are recurring problems.
- \* Claim that they haven't had the chance to demonstrate their real abilities.
- \* Blame society and those around them for their not getting ahead.
- \* Very self-centred; while feeling the weight of tradition, can't help respecting their elders.
- \* They have no interest in music or fashion and do not participate in community activities.



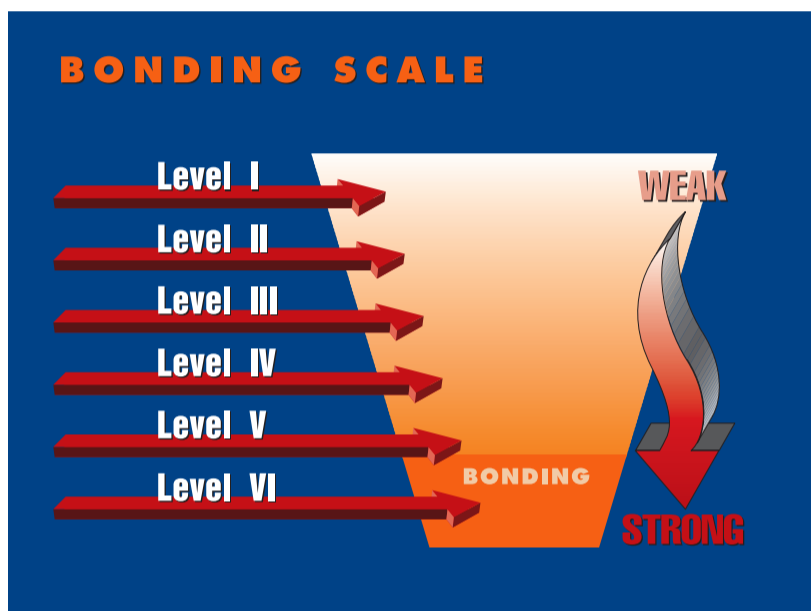
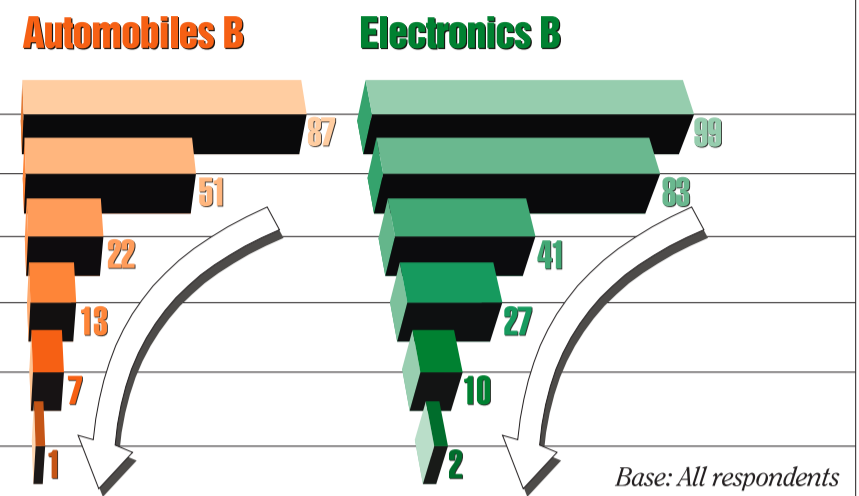
NETWORK BELONGERS

# The Bonding Scale: Ties That Bind Consumers to Brands

## Two Examples of Strong Bonding



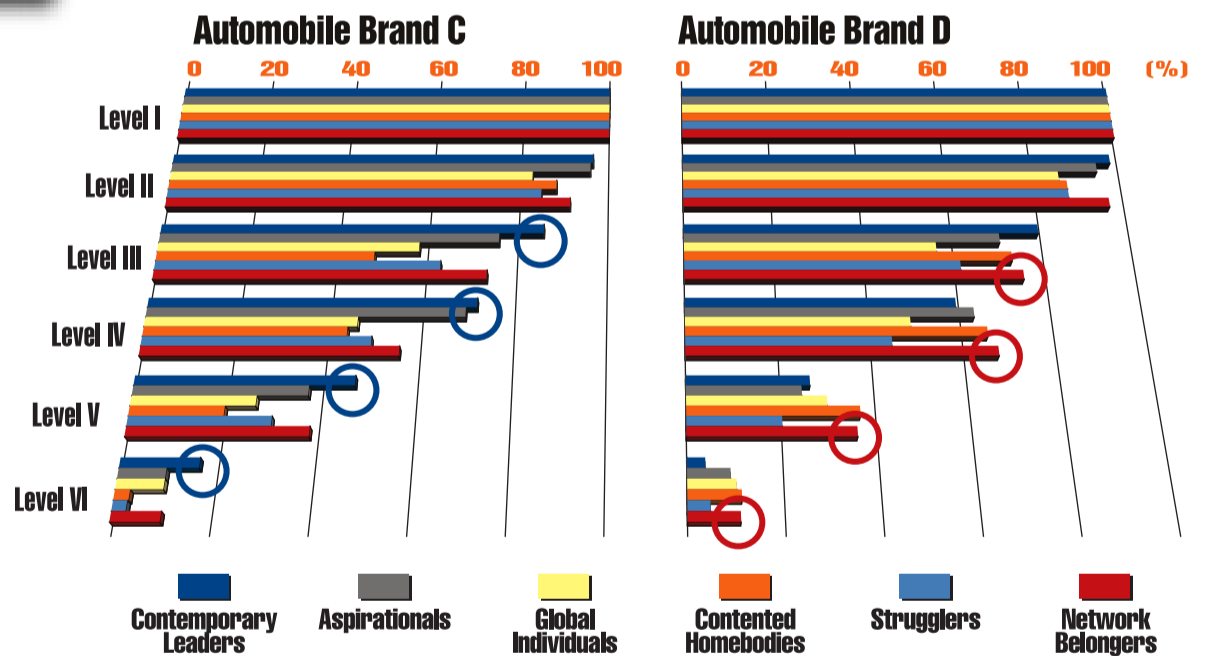
## Two Examples of Weak Bonding



## The Strength of Bonds Can Be Seen at a Glance

Bonding with a brand is traced through six levels, from awareness to close identification. The shape of the curve formed when the percentages of subjects who have reached each level are plotted in a standard bar graph indicates the strength of the bond. Strong bonds with higher scores at later as well as earlier levels of bond formation produce convex curves. Weak bonds with scores for later levels that decline sharply form concave curves. All it takes is one glance at these curves to see how strongly consumers have bonded with a brand.

## Bonding Scale by Psychographic Segment



## But Who Supports the Brand?

When bonding scale data are broken down using the six consumer types described earlier, we may discover that while some brands are strongly supported by Contemporary Leaders and the Aspirational who follow their example, the strength of their ties to other types is limited. Brands strongly supported by Contented Homebodies or Network Belongers may have little or no appeal to Global Individuals. Understanding which consumer types support a brand and have strong ties to it is a vital first step in planning effective brand strategies.

## And Why Do They Find the Brand Appealing?

The next step in strategic brand management is to ask what aspects of brands their supporters find most appealing. As suggested in the table displayed here, different groups may be bonded to brands for very different reasons. A brand that appeals to Global Individuals' love of high technology may not attract Network Belongers who prefer a warm and friendly feeling and the confidence they feel when buying a brand they have learned to trust. Another brand that appeals to Contemporary Leaders who are dynamic and fun-loving people may have little relevance to Contented Homebodies attracted more strongly by images of happy family life.

## Top Three Appeals of Automobile Brands

	Top 1	Top 2	Top 3
CONTEMPORARY LEADERS	Prestige	Design	First Class
GLOBAL INDIVIDUALS	High product quality	Often praised	Trustworthy
NETWORK BELONGERS	Trustworthy	Reputable	Familiar

# Knowing Who and Why

## The Keys to Strategic Brand Management

**K**nowing the type of consumer most likely to bond strongly with a brand is vital for assessing its business potential. Knowing precisely which dimensions add to the brand's appeal for this particular type of consumer is equally critical in designing campaigns that strengthen the bonds between them. It becomes especially important when developing the creative executions that convey the brand's message. Knowing what doesn't appeal may be every bit as essential as knowing what does. Advertising that speaks with high impact to one type of consumer may leave others cold, and budgets spent on the wrong appeal are simply wasted. We are not claiming that the kind of research described here will replace creative imagination. It can, however, identify and ensure the focus required for effective use of creative talent, especially in regional campaigns that combine a local flavour with the power to cross national borders.

*To learn more about Hakuhodo psychographic research in Asia, please contact Phoebe Chong at Hakuhodo Hong Kong. Phone: (852) 2865-1861 Fax: (852) 2865-0952*



## “SEI-KATSU-SHA”

To any other advertising agency, she may be just a consumer.  
To us, she's an “individual”.

Want to know your customers better? Hakuhodo can introduce you to the *seikatsusha*, or individual, in virtually any corner of the world. Treating consumers as *seikatsusha* is the cornerstone of our unique marketing and advertising theory. By looking closely at individuals, we see them as more than the sum of their buying habits. By examining their daily lives, values, and dreams, we gain insight where other agencies can't. We'd like to share that insight with you. Contact us and ask how well we know your customers. That'll give you an idea of just how well we'd like to know you.

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