


 **News****Survey of Concern about the Environment in 15 Cities in Emerging Markets**

- A 15-city avg. of 85% of people in emerging markets are concerned about the environment
- Air pollution and contaminated/polluted drinking water are environmental problems of particular concern
- The top action taken to address environmental problems is buying energy-saving products
- Compared with products made in other countries, Japanese products have a high image for environmental consciousness, being ranked either No. 1 or No. 2 in all cities surveyed

Tokyo—January 14, 2010—To support marketing communication in the global market place, Hakuhodo has conducted its Global HABIT survey of *sei-katsu-sha*¹ each year since 2000. The survey territory has grown to include some 130,000 respondents aged 15–54 in 33 major centers in Asia, Europe, the US and Oceania.

As environmental problems become more personally relevant, eco-friendly products and services are increasingly in the spotlight. This is said to present Japan, with its advanced environmental technology, with many great business opportunities. To discover what perceptions *sei-katsu-sha* around the world have about environmental problems and the specific ways that they are involved, we conducted analysis of original Hakuhodo-gathered data.

For this analysis, we selected Global HABIT 2009 data from 15 cities in 12 countries and regions that are in the spotlight as newly emerging markets: China (Beijing, Shanghai, Guangzhou); Hong Kong; Taiwan (Taipei); Korea (Seoul); Singapore, Thailand (Bangkok); Indonesia (Jakarta); Malaysia (Kuala Lumpur); Philippines (Metro Manila); Vietnam (Ho Chi Minh City); India (Delhi, Mumbai) and Russia (Moscow). Below are the findings from this survey into perceptions of environmental problems.

Key findings

1. **The proportion of *sei-katsu-sha* in emerging markets (15-city average) concerned about environmental problems was 85%.** In addition, comparing the figures for those that believe that environmental issues will become more important in the current survey with those from the 2007 survey, there has been a rapid rise in awareness in cities that had relatively low awareness in 2007.
2. **Among environmental problems, concern was particularly high for environmental problems occurring close to home, like air pollution and contaminated/polluted drinking water.**
3. **The top action taken to address environmental problems is buying energy-saving products, followed by using refillable/repackable products, taking one's own shopping bag and**

¹ *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 consumer's lives.

thoroughly separating garbage before disposal. In Shanghai, Beijing and Guangzhou, buying eco-friendly products even if they are more expensive and buying products from companies that seem to be actively dealing with environmental problems were among the top three responses.

4. Detergent was the top product purchased with consciousness of environmental problems in many cities surveyed. In Mumbai, Beijing and Moscow, where motorization is fast becoming a reality, private passenger cars came out at No. 1.
5. TV and radio ads and news programs were the top sources of environmental information when selecting eco-friendly products. Product packages are another effective source of information.
6. The top country-of-origin image for Japanese products across the 15 cities by far was excellent quality. Taking either No. 1 or No. 2 position, Japanese products also rank higher than other countries' products in terms of environmental consciousness. Media contacts:

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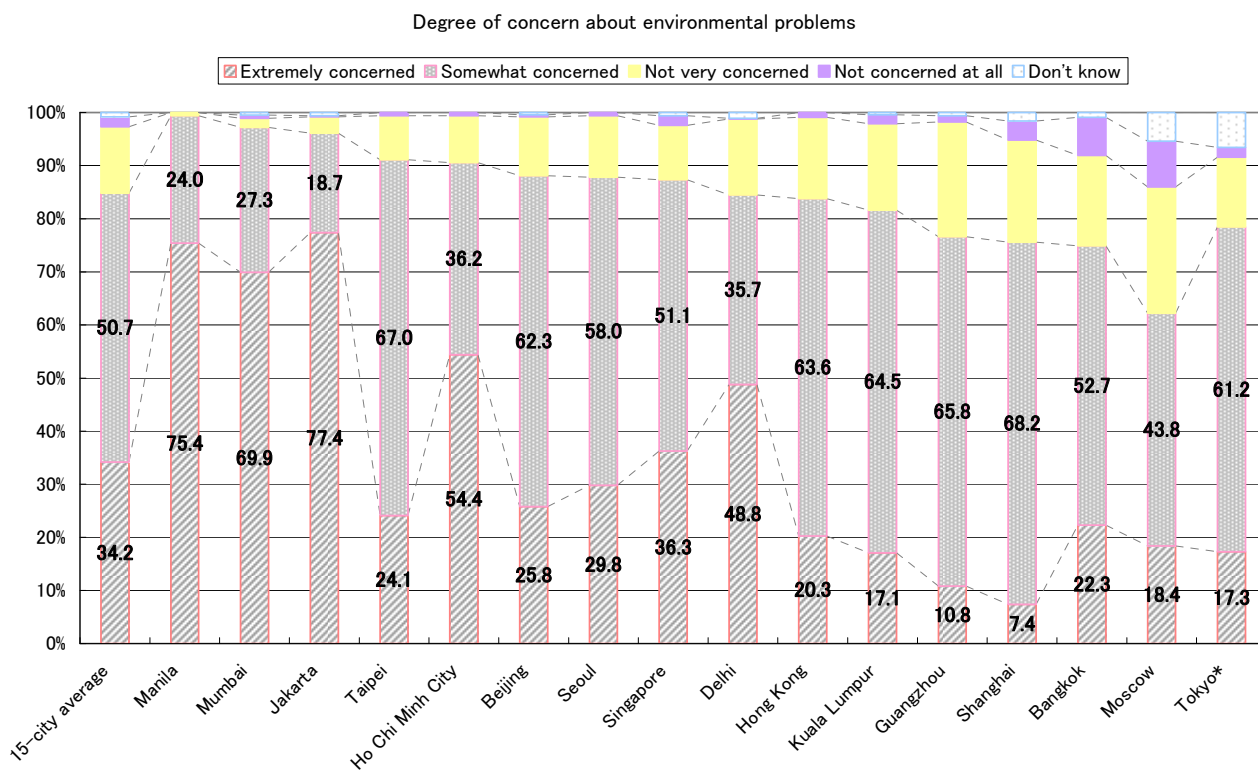
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Details of the survey findings follow below

Degree of concern about environmental problems

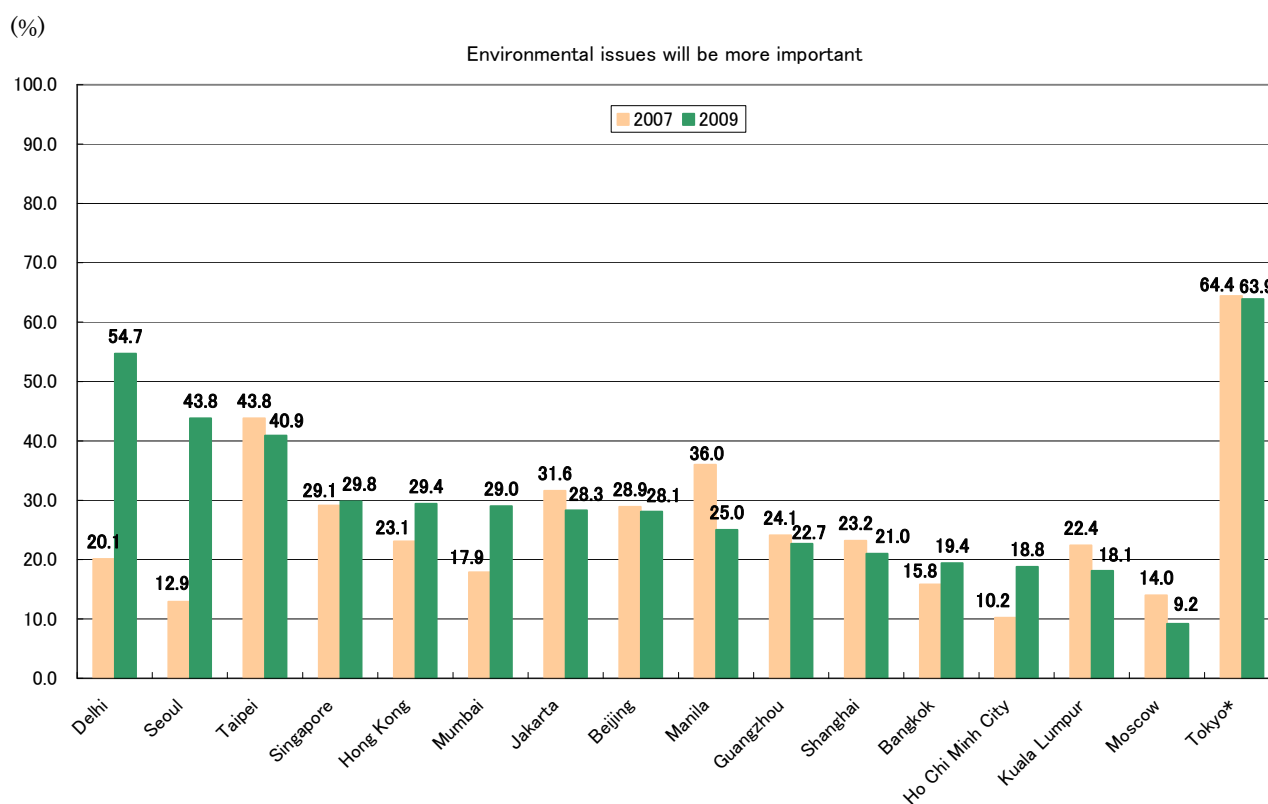
- Across the 15 cities, an average of 85% of *sei-katsu-sha* are concerned about environmental problems.
 - When we asked the degree to which people are concerned about environmental problems (reducing garbage, water and air pollution, conserving energy and the like), the 15-city average total for “extremely concerned” + “somewhat concerned” was 84.9%.
 - In particular, Jakarta, Metro Manila, Mumbai, Ho Chi Minh City and Delhi all had “extremely concerned” scores of around 50% or higher. This could stem from a feeling of the closeness to home of environmental problems in these cities as communities and lifestyles become more modernized in line with rapid economic development.



※東京: 15 都市と比較するため
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データを作成

Degree of importance of environmental problems in the future

- Comparing the proportion that today believe that environmental issues will be more important with the data on the same question from two years ago, there has been a rapid rise in awareness in cities that had relatively low awareness in 2007.
 - Looking at the 2009 data for the proportion that believe environmental problems will be more important, Tokyo and Delhi are highest at over 50% each, followed by Seoul and Taipei, both over 40%. Moscow was lowest, at less than 10%.
 - Comparing 2009 and 2007 data, the increase has been over 30 points for Delhi and Seoul, and around 10 points for Mumbai and Ho Chi Minh City, indicating that awareness of environmental problems is rising rapidly.
 - Conversely, in cities in China, where environmental problems are becoming more critical, 2009 figures are a low 28.1% in Beijing, 22.7% in Guangzhou and 21.0% in Shanghai, largely unchanged since 2007.

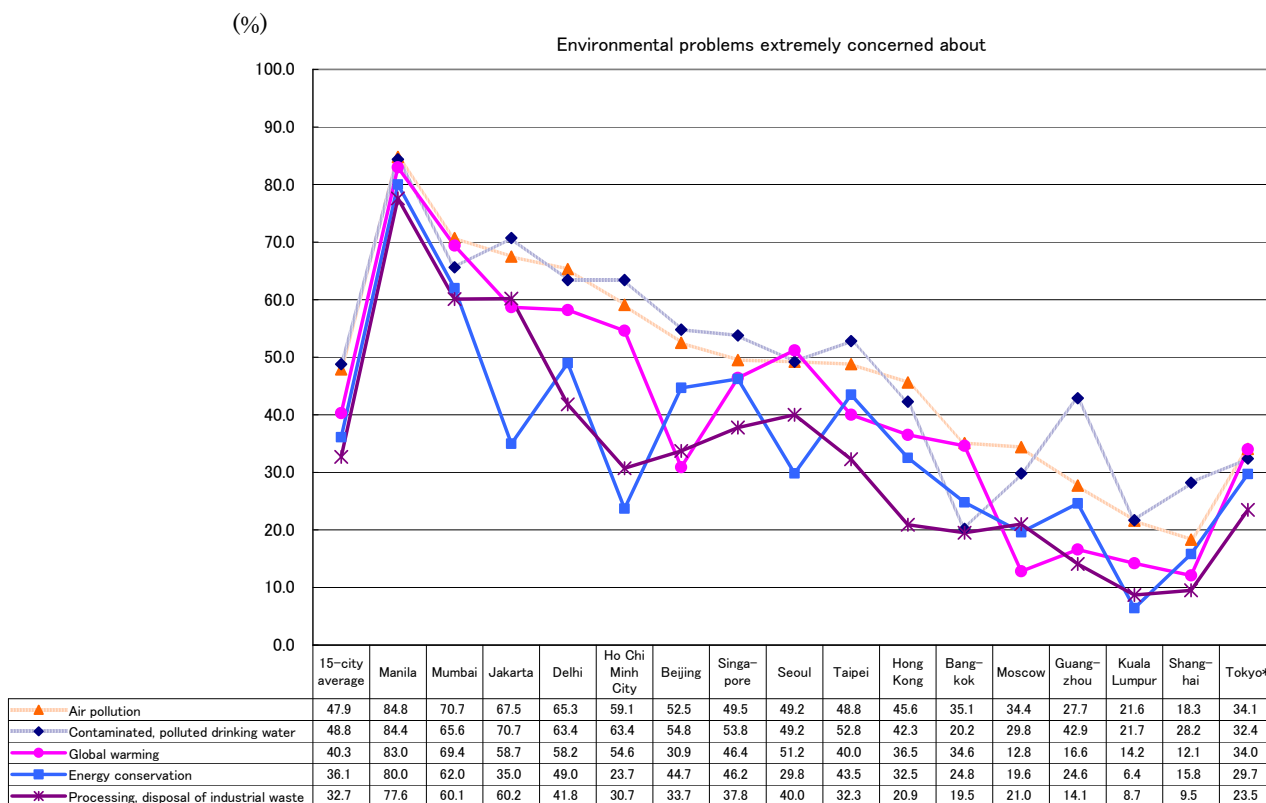


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Environmental problems extremely concerned about

- Interest was particularly high in environmental problems that occur close to home, like air pollution and contaminated/polluted drinking water.
 - When we asked the degree to which *sei-katsu-sha* are concerned about environmental problems on a 5-point scale (extremely concerned, somewhat concerned, not very concerned, not concerned at all, don't know/no response), the proportion of “extremely concerned” responses is as shown in the graph below.
 - 15-city average scores were high for air pollution, 47.9%; contaminated/polluted drinking water, 48.8%, followed by global warming, 40.3%; conserving energy, 36.1% and processing/disposal of industrial waste, 32.7%.
 - While there were differences in trends between cities, concern about problems that directly impact daily life, such as contaminated/polluted drinking water and air pollution, was high in all cities. When speaking about global-level issues like global warming, it would probably be easier to gain *sei-katsu-sha* interest and understanding to relate them to water, air and other environmental issues that are closely related to people's lives.

In addition, it is notable that in Chinese cities, particularly Guangzhou and Shanghai, concern about contaminated/polluted water was much higher than about other environmental problems.



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Actions taken to address environmental problems

- The top action taken to address environmental problems is buying energy-saving products, followed by using refillable/repackable products and thoroughly separating garbage before disposal. In Shanghai, Beijing and Guangzhou, buying eco-friendly products even if they are more expensive and buying products from companies that seem to be actively dealing with environmental problems were among the top three responses.
- When we asked what actions they are actually taking to tackle environmental problems, the top action across the 15 cities overall was buying energy-saving products, which was around 10 points higher than No. 2, using refillable/repackable products.
- In many cities, buying energy-saving products and using refillable/repackable products were among the top three responses. In addition to environmental considerations, saving money may be a reason for this.
- In Shanghai, Beijing and Guangzhou, taking my own shopping bag was No. 1, likely due to the fact that all supermarkets, department stores and markets in China have been required to charge for plastic carrier bags since June 2008. Moreover, buying eco-friendly products even if they are more expensive and buying products from companies that seem to be actively dealing with environmental problems came out higher in these three cities than in the others. It is apparent that awareness among companies operating in China of the environment as a problem and the measures that those companies are taking are having a great impact on *sei-katsu-sha* consumer activity.

Actions taken to address environmental problems (Multiple response)

(%)

	Buy energy-saving products	Use refillable, repackable products	Take my own shopping bag	Thoroughly separate garbage before disposal	Buy eco-friendly goods even if more expensive	Buy additive-free, organically grown products	Buy products of firms proactive on environment
15-city average	①76.4	②66.6	③63.9	④63.2	⑤58.3	⑥57.4	⑦57.2
Hong Kong	①90.8	②89.3	③86.3	82.1	73.6	73.5	51.8
Singapore	①69.6	②62.0	40.2	③45.8	26.9	34.9	32.2
Taipei	81.5	③87.1	②89.0	①93.4	75.3	74.8	70.5
Seoul	76.0	②90.6	66.6	①95.0	71.2	③78.4	66.2
Kuala Lumpur	①50.9	③43.9	17.7	②44.5	20.6	29.9	20.4
Bangkok	①69.1	②67.1	39.2	③62.3	37.6	39.2	40.3
Manila	①87.6	②82.6	42.0	③78.8	64.8	72.8	76.8
Jakarta	①72.1	②57.4	39.8	③57.0	36.1	33.5	37.7
Ho Chi Minh City	①70.3	②61.1	46.0	③59.5	52.6	49.9	54.0
Delhi	①93.9	③62.7	59.7	②69.5	53.0	46.8	54.6
Mumbai	①95.1	76.4	③90.9	②92.1	72.3	60.1	77.4
Shanghai	②70.3	53.7	①81.1	38.4	③68.4	62.0	68.4
Beijing	③83.8	65.8	①87.8	58.5	②84.7	75.8	81.5
Guangzhou	②68.4	57.7	①74.9	40.3	63.0	60.4	③63.8
Moscow	②42.0	27.2	③41.0	14.8	39.4	①50.8	34.8

Reference data: From Japan HABIT 2009 survey

Tokyo	③64.9	②84.6	57.5	①88.6	30.9	40.3	30.9
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※①、②、③は各項目の順位(以下同様)

Products purchased with consciousness of environmental problems

- Overall, detergent was the No. 1 product purchased with consciousness of environmental problems. In Mumbai, Beijing and Moscow, where motorization in moving ahead apace, private passenger cars was top.

• When we asked which products were purchased with consciousness of environmental problems (reducing garbage, pollution, recycling, etc.), the top response in many cities was detergent. In Hong Kong, Taipei and Seoul, in particular, the scores for detergent were over 60%.

• Private passenger cars were top in Mumbai, Beijing and Moscow, where car ownership is rising rapidly.

Products purchased with consciousness of environmental problems (Multiple response)

(%)

	Detergent	Food	Beverages	Private passenger cars	Home electric appliances	Kitchen, bath, and toilet products	Cosmetics and toiletries	Clothes	Housing	Furniture
15-city average	①46.9	②40.2	③38.2	④34.6	⑤33.8	⑥33.0	⑦31.7	⑧21.4	⑨17.9	⑩17.2
Hong Kong	①61.3	③45.4	37.9	25.4	②47.6	40.6	41.4	22.0	10.9	39.3
Singapore	①36.6	29.2	26.3	②31.4	③31.4	24.6	23.2	18.7	12.5	15.2
Taipei	①83.1	50.9	45.9	46.8	③53.0	②57.8	48.0	19.0	16.6	30.5
Seoul	①70.6	③47.2	18.4	19.6	21.0	②54.0	46.8	6.6	7.4	11.2
Kuala Lumpur	27.6	②36.1	①41.4	③33.8	20.8	26.0	23.9	21.4	28.2	16.5
Bangkok	33.8	②39.1	③38.7	34.4	①49.0	24.9	23.6	24.3	15.2	7.6
Manila	②59.4	①65.2	③58.6	33.0	40.6	30.6	38.8	41.2	34.6	13.6
Jakarta	①51.6	②45.7	③31.0	20.1	20.8	29.4	19.5	16.4	28.7	14.3
Ho Chi Minh City	③54.8	②72.2	①74.2	5.5	36.4	30.5	43.6	31.9	25.8	7.4
Delhi	①46.6	②43.8	③41.0	35.0	15.5	34.3	36.7	28.2	12.4	8.7
Mumbai	15.1	19.1	③24.2	①52.4	19.7	15.1	11.7	10.6	21.4	②26.6
Shanghai	①49.8	31.7	②38.4	32.9	③37.6	37.0	29.2	16.7	9.8	13.0
Beijing	35.1	39.4	②43.4	①47.2	③41.2	31.6	24.6	27.7	22.5	21.1
Guangzhou	①45.5	29.5	33.5	③35.8	33.7	34.9	②37.2	23.5	11.0	15.9
Moscow	②36.6	22.4	22.6	①46.2	24.0	17.4	③29.2	12.4	24.0	3.2

Reference data: From Japan HABIT 2009 survey

Tokyo	③38.9	①42.5	29.4	33.7	②38.9	13.9	23.8	7.8	7.0	5.0
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Sources of environmental information when purchasing eco-friendly products

- TV and radio ads and news programs were the top sources of information on eco-friendly products. Product packages are another effective source of information.

• When asked where they get information when selecting eco-friendly products, the top response was TV and radio ads followed by TV and radio news and other programs, indicating the great influence that TV and radio have.

- In other sources of information, the Internet was top in the high-tech cities of Hong Kong, Taipei and Seoul. Looking at the package in the store was No. 1 in Singapore, Moscow and Tokyo.
- In Hong Kong and Taipei, all sources of information received high scores, suggesting that people there use many sources of information.

Sources of environmental information when selecting eco-friendly products (Multiple response) (%)

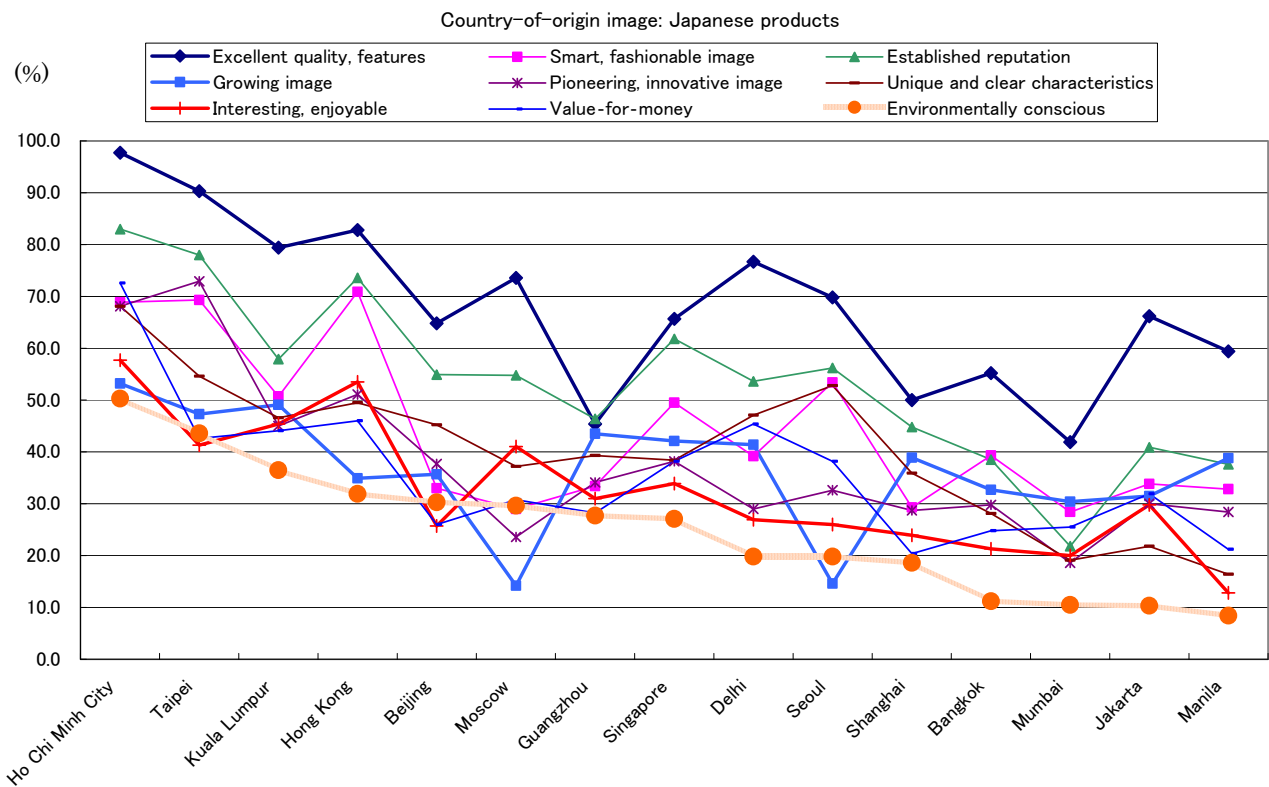
	TV and radio ads	News and other TV and radio programs	Look at the package in the store	Newspaper and magazine articles	From conversations with people	Internet	Newspaper and magazine ads
15-city average	①51.7	②47.4	③39.4	④36.1	⑤35.5	⑥34.4	⑦31.6
Hong Kong	58.1	③62.3	46.4	②65.3	40.9	①67.6	61.6
Singapore	27.1	28.1	①49.9	②47.8	25.7	③33.9	21.8
Taipei	67.4	②77.9	55.4	③72.6	54.5	①80.9	62.6
Seoul	31.2	③41.8	18.8	40.6	②47.4	①69.8	33.8
Kuala Lumpur	①48.7	③35.7	19.2	29.5	7.8	13.2	②39.0
Bangkok	①65.4	②51.2	③40.1	24.0	29.5	16.2	26.6
Manila	①73.0	②57.0	27.6	31.0	32.2	34.4	③37.6
Jakarta	①60.4	②40.9	13.4	15.5	③36.7	6.9	16.6
Ho Chi Minh City	①61.4	②45.6	37.2	③43.6	38.4	39.5	36.8
Delhi	①47.5	②35.2	26.9	10.9	③33.3	9.6	15.0
Mumbai	①51.5	20.5	②30.4	25.0	③26.7	8.9	20.0
Shanghai	②53.1	①55.7	③52.5	30.2	32.7	25.9	19.7
Beijing	①60.8	③58.7	②60.2	36.0	51.2	44.7	32.9
Guangzhou	37.5	①56.6	②48.8	③41.4	37.3	37.5	27.7
Moscow	15.6	③21.2	①38.2	18.6	②26.4	21.0	15.8
Reference data: From Japan HABIT 2009 survey							
Tokyo	25.5	②50.0	①66.7	③37.1	26.1	31.3	29.2

Country-of-origin image: Japanese products

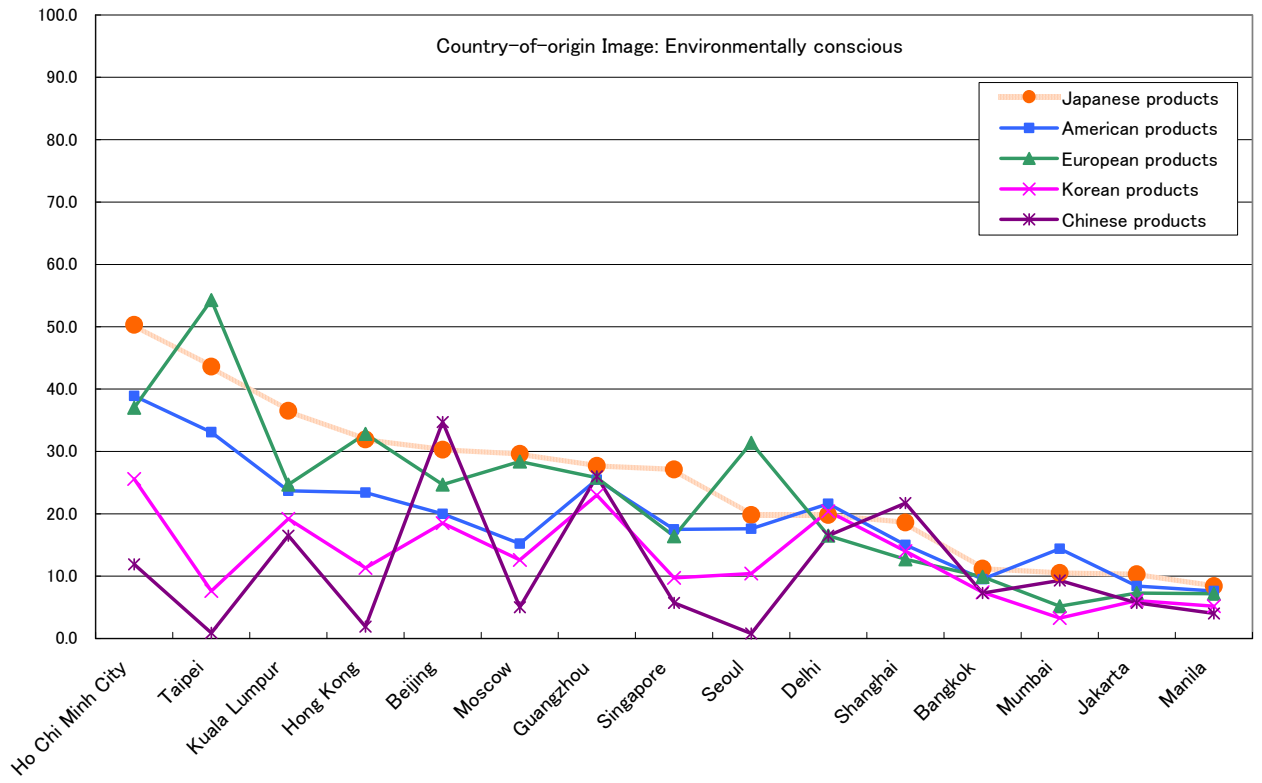
- **The image of Japanese products is overwhelmingly one of excellent quality. In terms of environmental consciousness, Japanese products came out top overall across the 15 cities, ranking either No. 1 or No. 2 in all cities.**
 - The image of Japanese products was overwhelmingly one of excellent quality, which gained an average score of 66.8% across the 15 cities, followed by have established reputation, at 53.0% overall. Environmentally conscious was 24.8% overall, still not very high.
 - However, comparing the environmentally conscious images of products made in various countries/areas, Japanese products' high overall rating becomes clear. Coming in at No. 1 or No. 2 in all 15 cities surveyed, Japanese products' scores in Ho Chi Minh City, Kuala Lumpur and

Singapore, in particular, were more than 10 points higher than products made elsewhere.

- However, with European products also gaining an image for environmental consciousness across all cities, and Chinese products gaining a high score in their country of manufacture, it is necessary to realize that Japanese products have not gained an overwhelmingly high image of environmental consciousness.
- As European countries and the US give increasing importance to environmental business, in order to gain advantage when expanding their business in emerging markets Japanese companies, with their advanced environmental technologies, should seek to strengthen the image of Japanese products as leading other those of other countries in terms of environmental consciousness to add to their already strong image of being of excellent quality.



(%)



Overview of HakuHodo's Global HABIT 2009 survey

■ Survey design

Cities surveyed:

Shanghai, Beijing, Guangzhou (China); Hong Kong; Taipei (Taiwan); Bangkok (Thailand); Seoul (Korea); Singapore; Kuala Lumpur (Malaysia); Metro Manila (Philippines); Jakarta (Indonesia); Ho Chi Minh City (Vietnam); Delhi, Mumbai (India); Moscow (Russia); London (UK)

Note: Dalian, Shenyang, Wuhan, Chengdu, Hangzhou, Ningbo, Xian, Fuzhou (China); Sydney (Australia); Frankfurt am Main, Berlin (Germany); Paris (France); Milan (Italy); Madrid (Spain) and New York, Los Angeles, Chicago (USA) were surveyed in 2008 or earlier.

Respondents:

Either 500 or 800 males and females aged 15–54 per city

* In Shanghai, Beijing and Guangzhou, Chinese Power *Sei-katsu-sha* (1,220 males and females aged 25–44 with monthly household incomes of at least 9,000 RMB) were also surveyed.

* In Delhi and Mumbai, Indian Power *Sei-katsu-sha* (1,005 males and females aged 25–54, SEC A2+ with monthly household incomes of at least 30,000 INR) were also surveyed.

Responses were obtained from persons in the middle/high income bracket of each city (50–85% of the urban population) based on screening by household income.

Survey period:

May–July 2009

Survey method:

In-home interviews (Asia except Hong Kong, Taipei, Korea; Europe except Paris); individual interviews at a central location (Hong Kong, Taipei, Korea); in-home self-administered surveys (Paris)

■ Main items surveyed (some apply only to China and other Asian countries)

Demographics and lifestyle

Demographics, lifestyles, country-of-origin image, media/information contact, shopping, hobbies, sports, durable consumer goods ownership, category perceptions, touchpoints, travel, housing

Product/service usage

Insurance, credit cards, airlines, convenience stores, passenger cars, motorcycles, AV products, home electrical appliances, mobile phones, computers/printers, digital cameras and camcorders, copiers, wristwatches, game consoles, alcoholic/non-alcoholic beverages, foodstuffs (instant foods, snack foods), cigarettes, toiletries, cosmetics, personal care products, disposable diapers, batteries, tires.

- HABIT survey for Japan was conducted separately from the Global HABIT survey
5,000 samples total from Tokyo and Kansai (Tokyo: within a 40 km radius of central Tokyo; Kansai: within a 20 km radius of the Kinki area)
Home visit interviews, postal surveys