




News

Hakuhodo Global HABIT

Worldwide 18-city comparison of Japanese and Korean product image

• In Excellent quality image, Japanese products thrash Korean products

- Surveyed-city-average scores: Japanese products: 60.6%
Korean products: 20.5%
- Japanese products prevail in all cities

Tokyo—March 1, 2011—Hakuhodo has conducted Global HABIT—a proprietary survey of *sei-katsu-sha** intended to support marketing strategies in the global marketplace—every year since 2000. The survey polls around 15,000 respondents across 34 major cities in Asia, Europe, the US, and Latin America. (Respondents aged 15–54, from the middle to upper income brackets in each city.)

This news release presents analysis of Japanese and Korean product images in 18 cities worldwide, including cities in Brazil, Russia, India and China (the BRICs countries) from the most recent Global HABIT data (2010).

The 18 cities surveyed: Beijing, Shanghai, Guangzhou, Hong Kong, Taipei, Seoul, Singapore, Bangkok, Jakarta, Kuala Lumpur, Metro Manila, Ho Chi Minh City, Delhi, Mumbai, Sao Paulo, New York, Frankfurt and Moscow.

Key findings**1. Comparison of product images** 17-city comparison, excluding Seoul

(1) Excellent quality image: Japanese products (17 cities) > Korean products (0 cities)

- Japanese products score higher than Korean products in Excellent quality image in all 17 cities. The 17-city average for Japanese products is 60.6%, some 40 points higher than the 20.5% for Korean products. The difference between the two is as great as 70 points in some cities.

(2) Smart/Fashionable image: Japanese products (14 cities) > Korean products (3 cities)

- The 17-city average for Japanese products is 10 points higher than that for Korean products. However, the scores are neck and neck in the three cities in China (Shanghai, Guangzhou and Beijing).

(3) Growing image: Japanese products (11 cities) > Korean products (6 cities)

- There is little difference in the images of Japanese and Korean products. Like (2), above, scores are very close in the three cities in China.

2. Comparison of goods & services associations 18-city comparison

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

- The top 3 goods and services associated with Japan are (1) Household appliances & audio/visual devices, (2) Digital products and (3) Passenger cars. These three products have entrenched associations with Japan around the world.
- The scores of goods and services associated with Korea are all lower than for those associated with Japan (even the No. 1 association, Digital products, has an 18-city average score of only 36.6%). There is also broad variation in scores between cities, indicating that the products do not have the kind of entrenched associations around the world that Japanese products do.

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Details of the survey findings

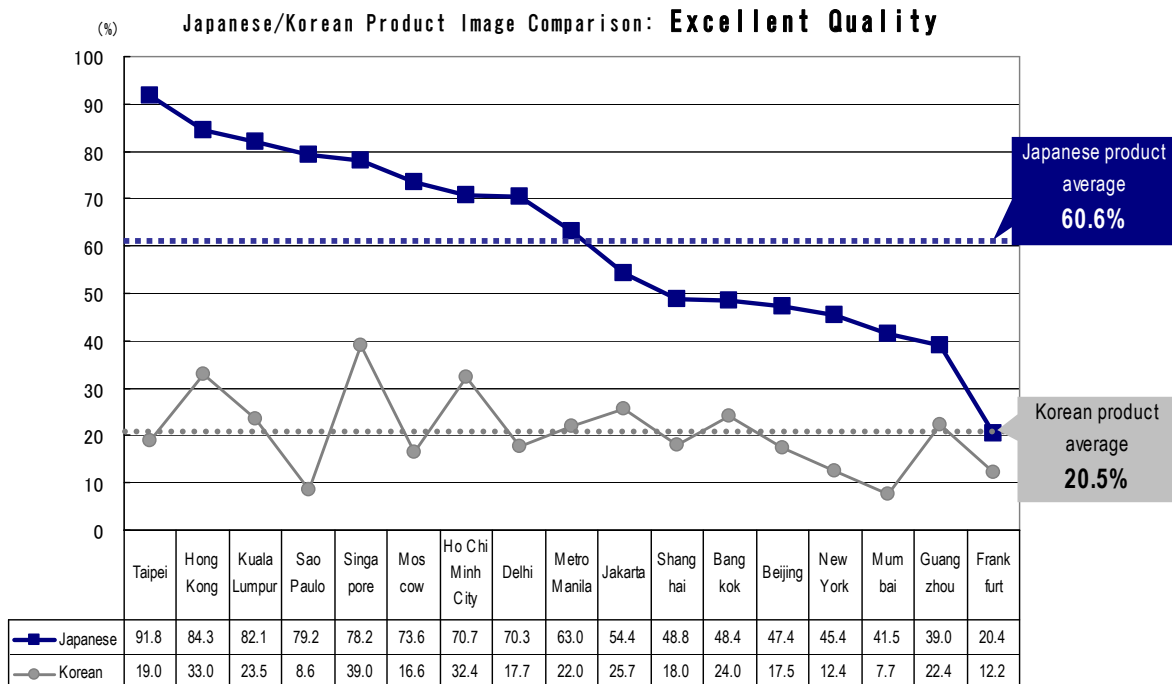
1. Comparison of product images 17-city comparison, excluding Seoul

(1) Excellent quality image

Japanese products (17 cities) > Korean products (0 cities)

In Excellent quality image, Japanese products score far higher than Korean products. The 17-city averages are 60.6% for Japanese products and 20.5% for Korean products, a massive difference of 40 points.

City by city, the scores for Japanese products are higher than those for Korean products, with 70-point-plus differences in scores in two cities (Taipei and Sao Paulo) and 50-point plus differences in scores in four cities (Kuala Lumpur, Moscow, Delhi and Hong Kong).

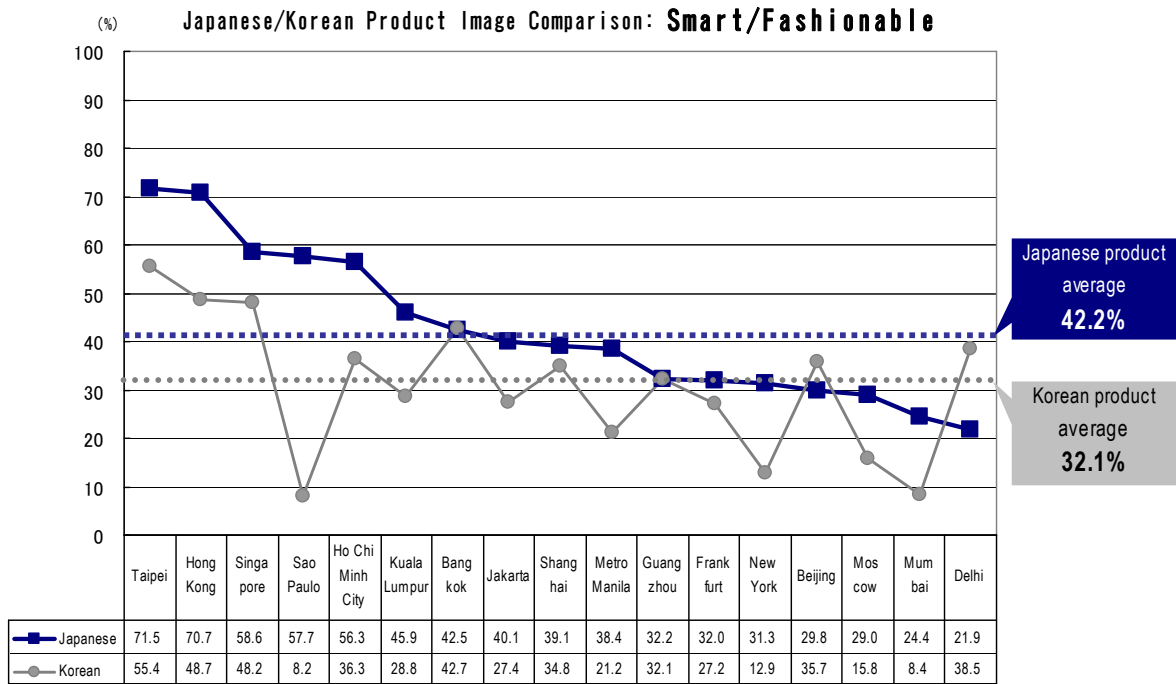


(2) Smart/Fashionable image

Japanese products (14 cities) > Korean products (3 cities)

In Smart/Fashionable image, too, Japanese products surpass Korean products. The 17-city averages are 42.2% for Japanese products and 32.1% for Korean products, a difference of approx. 10 points.

City by city, there are three cities (Hong Kong, Sao Paulo, Ho Chi Minh City) where Japanese products score at least 20 points higher than Korean products. Among these, Japanese products score particularly well in Sao Paulo, where the difference between the two is nearly 50 points. Conversely, the scores of both are very close in the three cities in China (Shanghai, Guangzhou and Beijing).

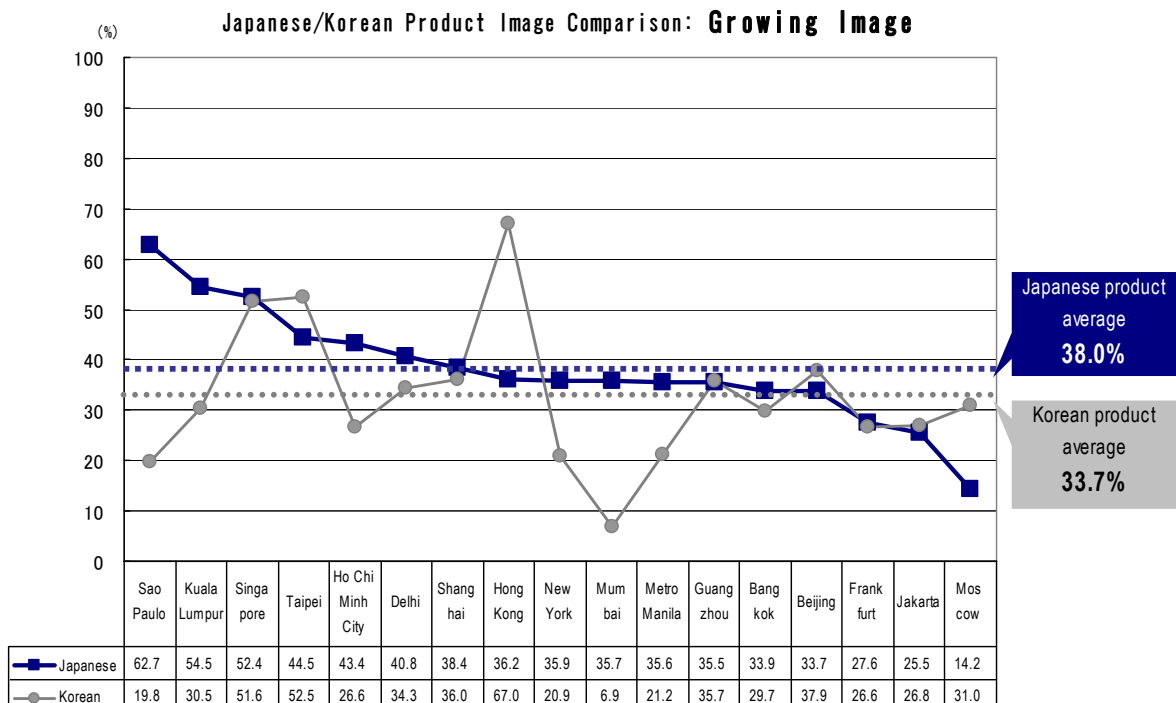


(3) Growing image Japanese products (11 cities) > Korean products (6 cities)

Scores for Growing image are more even than for the other two images. The 17-city average scores for Japanese products (38.0%) and Korean products (33.7%) show little difference.

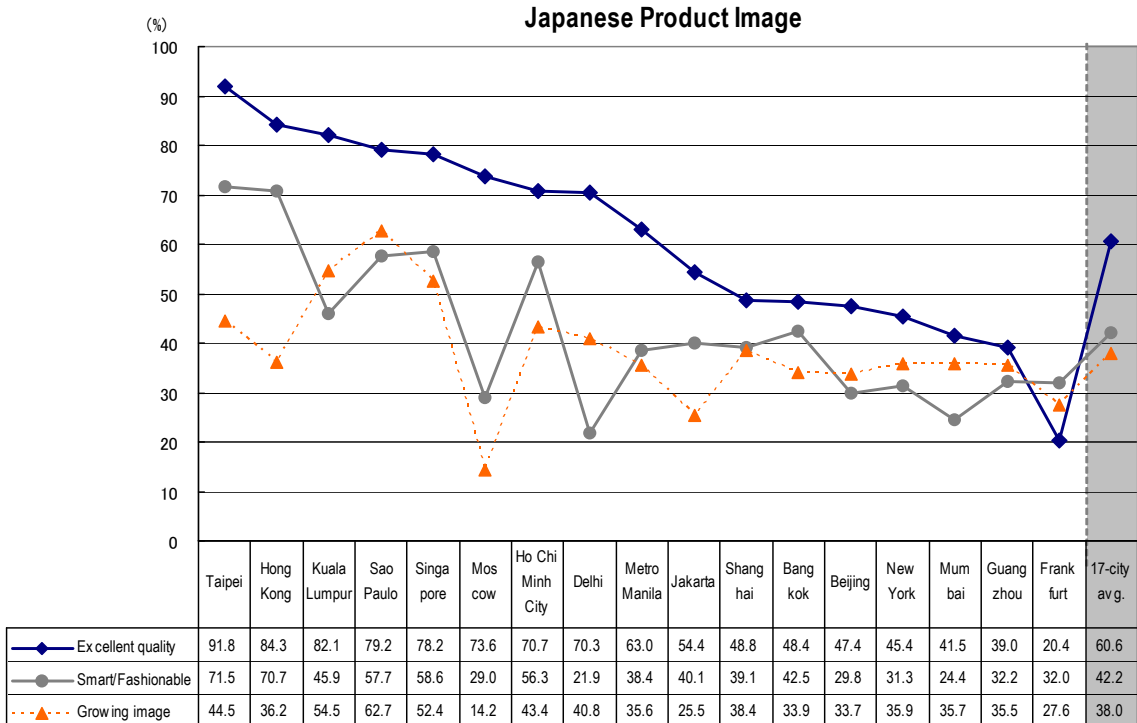
City by city, there are three cities (Sao Paulo, Kuala Lumpur and Mumbai) where Japanese products score at least 20 points higher than Korean products, and also one city (Hong Kong) where Korean products score more than 20 points higher than Japanese products.

As with Smart/Fashionable image, the scores for Japanese and Korean products are neck and neck in the three cities in China (Shanghai, Guangzhou and Beijing).



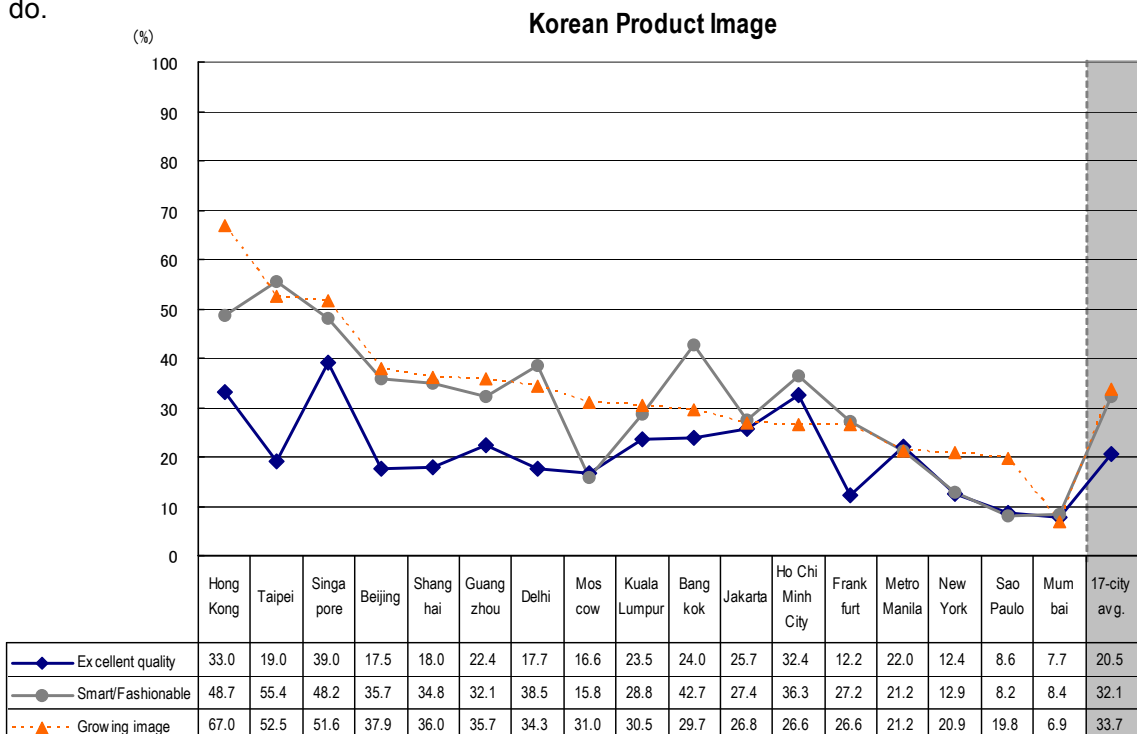
Reference 1: Image of Japanese products

The image of Japanese products as Excellent quality is entrenched worldwide, as evidenced by Excellent quality scores of over 50% in 10 cities, including a score of 91.8% in Taipei. Japanese products score especially well in Smart/Fashionable image in Taipei and Hong Kong as well, with scores of over 70%.



Reference 2: Image of Korean products

Korean products do not manifest the prominent entrenched images that Japanese products do.



2. Comparison of goods & services associations 18-city comparison

(1) Goods, services & entertainment associated with Japan (Multiple response)

In the 18-city average, the three goods, services and entertainment most associated with Japan are No. 1. *Household appliances & audio/visual devices* (65.7%), No. 2. *Digital products* (computers, mobile phones, digital cameras) (60.8%), and No. 3. *Passenger cars* (57.3%). These three product groups, which symbolize Japan as a manufacturing nation, appear in the top 3 in most cities, indicating that they are entrenched images associated with Japan worldwide.

18-city-average No. 4., *Animation/Manga* (48.6%), is in the top 3 in 7 cities. This category is very strongly associated with Japan not only in Asian cities (Hong Kong, Seoul, Jakarta, Shanghai, Guangzhou), but also in Frankfurt and Sao Paulo. 18-city-average No. 5., *Sightseeing* (38.1%), is No. 3 in Taipei (80.3%) Although this category is not in the top 3 in Hong Kong, Singapore or Seoul, scores there are over 50%. 18-city-average scores for *Movies*, *Music* and other entertainment-related categories are over 20%. Meanwhile, the 18-city-average score for *Medical care* is low down in the 10-19% bracket. Active promotion of Japan's leading-edge medical technology may be necessary.

(2) Goods, services & entertainment associated with Korea

In the 18-city average, the top 3 goods, services and entertainment associated with Korea are No. 1. *Digital products* (computers, mobile phones, digital cameras) (36.6%), No. 2. *Household appliances & audio/visual devices* (34.3%), and No. 3. *Fashion products (apparel)* (30.3%); the scores of which all languish in the 30-39% bracket. The scores of all other image associations were also lower than the same scores for Japanese goods services and entertainment.

In addition, there was significant variation across the cities in the images associated with Korea, indicating that strong associations have not become entrenched worldwide as they have for Japanese goods, services and entertainment.

(1) Goods, services & entertainment associated with Japan (Multiple choice)

	Home appliances & A/V devices	Digital products (computers, mobile)	Passenger cars	Animation, manga	Sightseeing	Food	Fashion products Apparel	Luxury brands	Movies	Music	Sports	Furniture & interior goods	Medical care (Excl. Moscow)
18-city average	(1) 65.7	(2) 60.8	(3) 57.3	(4) 48.6	(5) 38.1	(6) 34.5	(7) 32.9	(8) 29.1	(9) 25.9	(10) 22.7	(11) 20.9	(12) 18.1	(13) 12.7
Hong Kong	(2) 89.6	(1) 90.1	78.5	(3) 81.3	70.8	77.0	75.9	42.7	53.8	57.2	26.3	25.0	16.5
Singapore	(1) 81.6	(2) 78.0	(3) 77.8	58.8	61.0	57.2	44.4	31.4	39.4	33.6	21.6	20.4	31.6
Taipei	(2) 89.6	(1) 91.6	69.0	74.6	(3) 80.3	71.4	67.0	28.5	47.9	55.5	25.6	20.9	21.3
Seoul	(1) 81.6	(2) 81.4	46.4	(3) 78.6	56.4	46.4	25.0	14.4	24.6	21.4	8.6	12.2	6.8
Kuala Lumpur	(1) 81.7	(2) 66.7	(1) 81.7	50.6	44.9	33.3	37.7	40.7	28.2	23.2	27.8	28.6	24.9
Bangkok	(1) 49.9	(3) 46.0	(2) 47.9	35.5	24.2	32.3	30.2	16.3	18.2	13.3	15.9	12.2	3.1
Metro Manila	(1) 62.8	(2) 44.4	(3) 43.6	31.6	16.8	27.6	19.6	32.6	12.6	12.4	9.8	11.2	6.0
Jakarta	38.8	(3) 39.9	(1) 50.3	(2) 45.6	21.0	24.2	17.2	13.2	22.5	11.3	18.1	10.6	9.6
Ho Chi Minh City	(1) 79.1	(2) 68.4	(3) 61.1	38.1	43.0	28.3	19.7	20.7	29.9	26.2	19.1	28.7	17.8
Delhi	(1) 55.1	40.9	(3) 44.5	21.1	20.8	13.7	32.2	(2) 44.8	22.2	21.4	18.1	21.7	10.1
Mumbai	(1) 38.2	25.1	(3) 30.3	21.3	10.7	11.3	24.6	(2) 36.8	22.3	7.6	23.1	13.3	2.6
Shanghai	(1) 67.7	(2) 65.5	51.8	(3) 56.1	39.1	20.2	28.2	13.6	15.8	14.8	21.3	12.3	11.8
Beijing	(1) 71.3	(3) 64.0	(2) 70.0	51.0	31.4	20.2	29.7	24.6	14.8	15.4	17.0	17.0	7.9
Guangzhou	(2) 50.4	46.2	(1) 54.1	(3) 47.7	39.2	34.8	37.9	36.7	27.8	26.2	31.4	30.1	27.9
Frankfurt	40.8	(1) 47.4	(3) 43.6	(2) 45.4	28.6	31.0	24.0	23.4	29.2	23.0	24.0	21.8	8.4
New York	(3) 48.0	(1) 60.2	(2) 57.6	35.1	21.3	26.1	17.7	22.5	16.1	9.0	13.3	12.5	5.0
Sao Paulo	(1) 87.4	(2) 83.2	59.1	(3) 68.1	29.5	32.7	9.0	35.9	7.4	4.4	27.5	10.0	16.6
Moscow	(1) 78.2	(3) 66.4	(2) 72.6	35.2	40.0	32.2	17.2	40.8	24.8	15.4	21.0	13.8	—

(2) Goods, services & entertainment associated with Korea (Multiple choice)

	Digital products (computers, mobile)	Home appliances & A/V	Fashion products Apparel	Passenger cars	Sightseeing	Food	Movies	Music	Sports	Luxury brands	Animation, manga	Furniture & interior goods	Medical care (Excl. Moscow)
18都市平均	(1) 36.6	(2) 34.3	(3) 30.3	④29.9	⑤28.9	⑥24.9	⑦24.6	⑧21.5	⑨16.5	⑩16.1	⑪14.7	⑫14.4	⑬10.3
香港	(1) 72.0	(2) 68.5	50.3	28.2	(3) 60.0	59.2	54.3	44.8	16.2	16.9	13.6	12.4	18.6
Singapore	(3) 48.8	48.2	42.8	(2) 51.0	(1) 55.8	45.4	41.4	38.0	17.4	17.0	16.4	17.2	17.0
Taipei	(1) 73.6	(2) 70.6	49.3	32.1	(3) 63.8	45.3	35.6	43.9	19.1	4.3	10.3	4.3	6.5
Seoul	(1) 79.0	(2) 65.4	36.8	49.6	23.8	48.6	(3) 53.8	38.6	34.6	8.8	11.6	17.4	37.8
Kuala Lumpur	(2) 33.5	(3) 32.7	24.5	(1) 44.4	30.7	18.1	19.5	17.7	17.3	17.5	15.8	17.9	14.8
Bangkok	22.9	19.7	(1) 41.3	15.3	21.8	20.0	(2) 37.0	(3) 26.3	13.6	15.9	12.0	11.4	3.2
Metro Manila	15.8	18.6	(3) 20.6	12.4	11.0	(2) 24.2	(1) 30.6	19.2	6.8	10.8	14.8	12.4	4.4
Jakarta	(1) 33.5	(2) 29.1	17.2	(3) 20.0	15.9	9.3	16.3	8.9	17.8	10.0	10.2	12.5	3.6
Ho Chi Minh City	27.3	30.7	32.0	36.1	(2) 45.9	27.9	(1) 46.9	(3) 37.9	20.5	27.0	23.0	16.6	16.2
Delhi	22.3	(2) 32.8	24.6	(1) 34.2	17.0	10.8	11.6	14.1	15.1	(3) 26.4	21.8	22.4	10.6
Mumbai	8.1	(1) 11.0	7.2	8.5	5.7	2.9	5.1	4.1	(2) 10.1	(3) 9.0	5.9	7.1	1.9
Shanghai	(3) 30.8	25.9	(1) 44.7	28.5	(2) 35.5	22.7	17.1	14.8	18.3	24.8	14.4	19.0	9.6
Beijing	(3) 36.9	32.1	(2) 38.8	(1) 41.4	23.0	24.6	20.3	18.0	17.6	19.6	14.4	18.0	8.4
Guangzhou	(3) 36.9	28.2	(2) 37.6	(1) 38.0	32.7	25.5	19.7	23.1	26.4	31.4	24.8	27.6	22.8
Frankfurt	(1) 26.0	15.4	15.8	(2) 22.0	16.0	(3) 19.6	12.2	11.2	11.4	13.0	17.4	9.2	6.8
New York	(1) 22.5	(2) 21.7	7.4	(3) 21.3	12.5	14.3	5.8	2.2	6.2	8.6	12.5	6.8	1.6
Sao Paulo	(1) 24.6	(2) 20.8	7.8	13.6	9.4	4.0	3.4	2.8	7.6	7.8	(3) 15.8	7.4	2.8
Moscow	(2) 40.0	(3) 39.6	15.8	(1) 49.0	23.6	20.2	10.8	11.6	18.2	9.4	10.4	15.6	0.0

Survey outline

Cities surveyed: 18 cities

(1) Beijing, (2) Shanghai, (3) Guangzhou, China; (4) Hong Kong; (5) Taipei, Taiwan; (6) Seoul, Korea; (7) Singapore; (8) Bangkok, Thailand; (9) Jakarta, Indonesia; (10) Kuala Lumpur, Malaysia; (11) Metro Manila, Philippines; (12) Ho Chi Minh City, Vietnam; (13) Delhi, (14) Mumbai, India; (15) Sao Paulo, Brazil; (16) New York, USA; (17) Frankfurt, Germany; (18) Moscow, Russia

Respondents: Males and females aged 15–54

Sample size: n = 11,512 (500–800 samples from each city)

Survey period: May–August 2010 (2009 survey data used for Moscow only)

Overview of Hakuhodo's Global HABIT 2010 survey

(Source of data for the analysis presented in this news release)

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); Sao Paulo (Brazil); New York (USA); and Frankfurt am Main (Germany)

Note: Dalian, Shenyang, Wuhan, Chengdu, Hangzhou, Ningbo, Xian, Fuzhou (China); Sydney (Australia); Berlin (Germany); Paris (France); Milan (Italy); Madrid (Spain); Los Angeles, Chicago (USA); London (UK); Moscow (Russia) were surveyed in 2009 and earlier

Respondents:

500–800 males and females aged 15–54 in each city

Note 1: In Shanghai, Beijing and Guangzhou, an additional 1,800 male and female Chinese Power *Sei-katsu-sha* aged 25–54 with monthly household incomes of at least 10,000 RMB also surveyed.

Note 2: In Delhi and Mumbai, an additional 1,000 male and female Indian Power *Sei-katsu-sha* aged 25–54 from SEC A2 with monthly household incomes of at least 30,000 INR also surveyed.

Responses were obtained from persons in the middle/high income bracket of each city (50–90% of the urban population) based on screening by household income.

Survey period:

May–August 2010

Survey method:

In-home interviews (Asian cities other than Hong Kong, Taipei and Seoul; Sao Paulo, Frankfurt)

Individual interviews at a central location (Hong Kong, Taipei, Seoul, New York)

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

Demographics and lifestyle

Demographics, lifestyle, environmental perceptions, country images, media/information contact, consumer habits, hobbies, sports, durable consumer goods ownership, category perceptions, travel, housing

Product & service usage

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

Note: Japan is surveyed separately in the HABIT survey.

5,000 samples in total from Tokyo and Kansai (Tokyo: within a 40 km radius of central Tokyo; Kansai: within a 20 km radius of the Kinki area). In-home interviews & postal surveys.