

2010 CHANGE SNAPSHOT

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A view from the streets of Asia

Environment

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National Unity



Many trends reports for 2010 are filled with recessionary overtones and references to the new “thrift economy”, “frugality”, and “business unusual”. At The Change Agency, we like to look at things differently.

Here in the streets of Asia, the key operating word for the new year is “bullishness” - not lingering depression or recovery. Despite being hit by the worst economic crisis since the Great Depression, Asian countries have come out of the global recession faster and stronger than anyone would have expected. China is already on track to 10% growth this year. Compared with people in the West, those in Asian countries have kept their sunny mood. In China, India and Indonesia, more than 40% of respondents to a Pew Global Attitudes Project in Washington DC say they are satisfied with their lives – and in China the figure is 87%. Meanwhile, in France and Britain the share is below 30%, and in the United States a mere 35%.

This data reflects the consumer confidence and powerful acceleration of economic power away from rich nations towards the Asian emerging markets. The consumer worldwide is no doubt a changed animal seeking more connection and purposeful living, but the appetite for innovation, new forms of consumption and luxury pursuits is taking on new heights in the fastest changing, most exciting region on the planet. The year of the Tiger has begun!

Foreword

Change Agent Frederique Covington
on a plane somewhere



In 2010, we will see just how far the Asias as a region have emerged.

This Change Snapshot sets up the scene from the street up, reporting on the significance of local market dynamics in dictating a new influence, both at home and on the world front.

Growth in the Asias is evident, but how and where, will change come from in 2010? Here, we highlight 10 key changes in different Asian countries that reveal profound shifts in consumer values ranging from quality of life awareness to greater need for social collaboration and national unity.

Eyes are set on a future that is increasingly Asian-led with more regional influences – locally made, locally raised and locally-based – and ambitions to exert more influence on the West and beyond.

The Asias provide great insight into some of the world's biggest issues – climate change, the aging of Baby Boomers, technology pervasiveness, and the growing power of women, to name a few. At the same time, these markets show us different pathways for answering these challenges with ingeniousness and hybrid models generating the growth of new industries and practices.

The one size-fits all trends report is on its way out. Enjoy the view from the streets of Asia.

Introduction

Change Agent Natalie Gruis
IndoChina



Environment:
From **GREENWASHING** To **SUSTAINABLE LIVING**

Although it is among the biggest and fastest growing carbon emitters, China is steadily making changes towards sustainable growth. China has planted 20m hectares of forests between 2003 and 2008, and there has been a 51% growth in China's renewable-energy output over the three years to 2008. China is on track to fulfilling its ambitious goal of improving energy efficiency by 20% for 2006-2010 and developing renewable energy to account for 15% of energy consumption by 2020. And as always, China is doing it "my way" and while it took the heat during the Copenhagen Summit, it is nevertheless pressing on with an aggressive green agenda. The government has allocated 40% of its stimulus package to fund green companies, compared to 12% in the USA. Late last year, Chinese government officials signed an agreement with First Solar to complete the largest photovoltaic power plant in the world which would open the vast solar market in China.

2010 will be the year where China not only becomes the world's second economic power (bypassing Japan), it will also exert its influence in a new way – green power.

China

Change Agent Jonathan Koh
Shanghai



GROWTH OF ECO-FRIENDLY STADIUMS

Beijing was the poster child for eco-friendly stadiums and buildings during the Olympics, and now other cities are following and starting more sustainable sports venues across China. A 38,500-square-meter football stadium, inspired by the design of a classic Chinese bamboo is being built in Dalian, featuring a reflective roof that reduces solar radiation and workload for the cooling system. It will be powered by wind turbines and solar panels, and water is collected for reuse in irrigation and air conditioning.

Source: http://www.worldarchitecturenews.com/index.php?fuseaction=wanappln.projectview&upload_id=12476



SUSTAINABLE NEIGHBOURHOODS

A sustainable neighbourhood will integrate into the existing downtown urban district in Beijing improving transportation infrastructure while introducing energy-efficient buildings and green public space.

The plan also provides a framework for new sustainable growth that would result in eliminating 215,000 tons of CO₂ per year, which is the equivalent of planting 14 million adult trees.

China continues to seek practices to ensure sustainable living and development.

Source: <http://www.inhabitat.com/2009/10/26/som-wins-competition-to-create-beijings-sustainable-city-center/>



ELECTRIC BIKES

E-Bike culture has already become a force on the road to be reckoned with. There were 21 million e-bikes sold in 2008 versus 9.4 million autos, and China will make another 30 million electric bicycles in 2010. We are also seeing several state-owned enterprises giving a 500rmb/mo. bonus to employees who don't drive cars.

Source: <http://www.inhabitat.com/2009/10/26/som-wins-competition-to-create-beijings-sustainable-city-center/>



CYCLE CULTURE

As cycle-culture becomes a symbol of an eco chic lifestyle, a cycling dress code in Hong Kong (e.g. folded trousers versus foldable bikes) is emerging as a fashionable trend on the streets, and cool trends places beyond the cycling streets.



PLASTIC BAG KITES

More than a year after the pre-Olympic policy took effect, China has reduced the usage of plastic bags in supermarkets by 40 billion, or 66 percent - that's the equivalent of 1.6 million tons of petroleum. New uses for plastic recycled bags are emerging such as colourful kites, in the style of Chinese traditional kites.

Source: <http://www.inhabitat.com/2009/10/26/som-wins-competition-to-create-beijings-sustainable-city-center/>



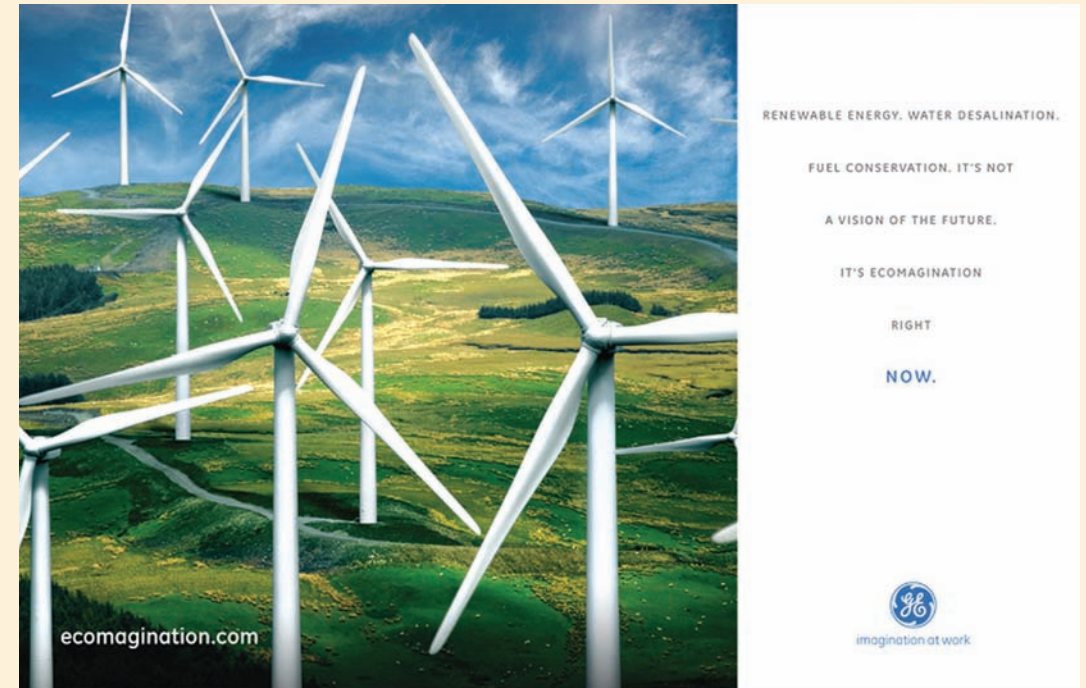
BRING-YOUR-OWN UTENSILS

In Hong Kong, the eco-friendly culture continues to grow as disposable items become replaced by eco-friendly or re-usable items. From 'Bring Your Own Bags' to 'Bring Your Own Utensils'.



ECO CONSCIOUS ADVERTISING

Advertisements for eco-friendly and sustainable practices both by organizations and companies are gaining visibility in the Chinese media.



WIND POWER

In 2009, China became the world's biggest producer of wind power, and will soon be exporting abroad. In October, a Chinese bank investment came just in time to save a \$1.5-billion, 36,000-acre wind-farm project in West Texas, indicating China's new foothold on the international wind-power market.

Source: <http://www.dallasnews.com/sharedcontent/dws/dn/latestnews/stories/1030dnbuswind.264a63a1e.html>

BATTERY POWERED INNOVATION

BYD is a Chinese company with vision, and the world is watching (as well as Warren Buffet who invested in it). It started as a battery company, later moving into the auto business in 2003. They have recently announced plans to sell their F3DM Plug-In in 2010 in the US at 22,000 dollars – less than the Prius and at least 2 years ahead of the Chevy Volt.

Chemist turned business leader, Wang Chuanfu is driving innovation in clean-energy autos, aiming to make BYD's batteries 100% recyclable, using a nontoxic electrolyte fluid. Wang is even known to drink the fluid to prove that clean energy should be just that, clean – not creating more environmental problems.

Interestingly, BYD's logo has moved from oddly resembling BMW's logo, to its own identity, and we hope this is signaling a change for China - moving from follower to leader in the area of sustainable practices.

Source: <http://www.treehugger.com/files/2008/12/byd-f3dm-electric-plug-in-hybrid-china.php>
http://money.cnn.com/2009/04/13/technology/gunther_electric.fortune/index.htm?postversion=2009041305

First BYD logo



New BYD logo





Technology:

From “**JARINGAN MOBILE**” [mobile networking] To “**MOBILISASI SOSIAL**” [social mobilisation]

In 2009, Facebook rose from being Indonesia’s third most visited site to being the country’s number one, surpassing search giants such as Google and Yahoo!. Indonesia is now the 6th largest and 9th largest country globally for Facebook and Twitter respectively.

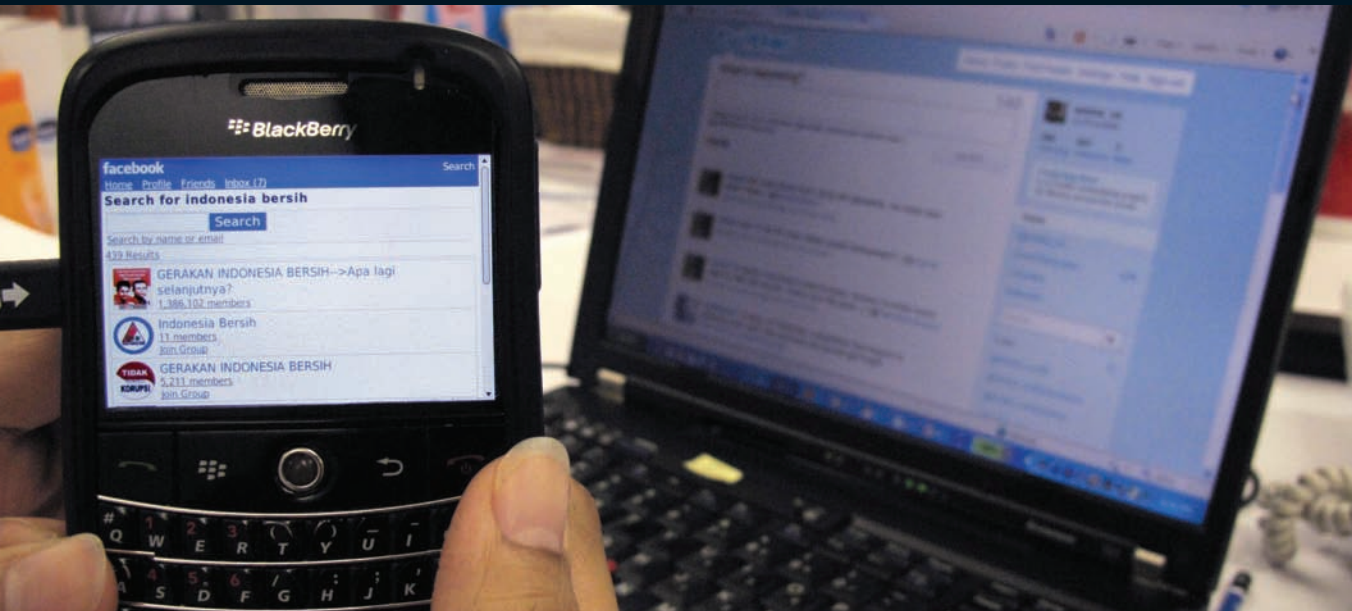
Source: <http://www.alexam.com/topsites/countries/ID>

Social networking platforms have become a place for Indonesians to connect through applications, games, interest groups, and exercise their entrepreneurial spirit with start-ups that sell homemade handicrafts and clothing. Beyond this, technology has enabled a greater collective community where Indonesians interact and participate instantaneously: rising to speak out against and for common causes, and building more public debate and advocacy – a true transformation in a country that has typically been more at ease with talking than confronting.

2010 will see the further ascension of wireless technology and the increasing popularity of networking platforms. Indonesians’ sense of brotherhood and social bonding is being unleashed, giving rise to greater personal expression and empowerment.

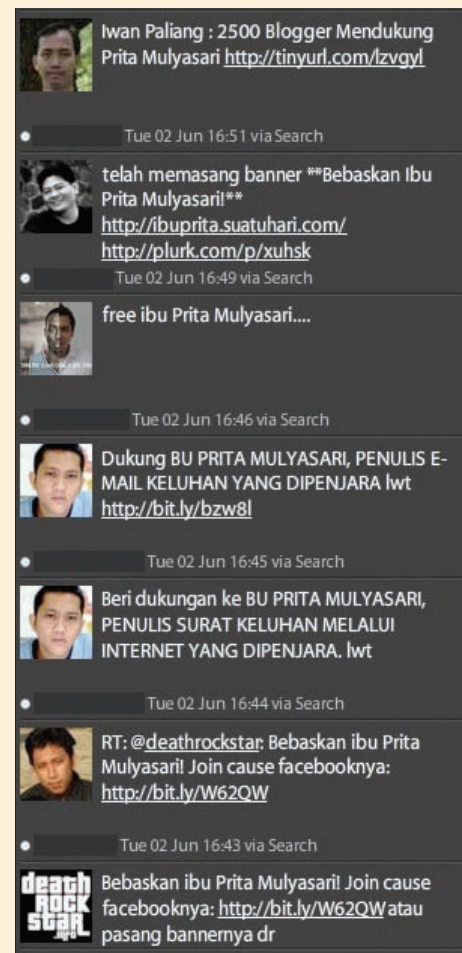
Indonesia

Change Agent Barik Nawawi
Jakarta



INDONESIAUNITE

Within 2 hours after the July 17, 2009 bombings of JW Marriot and Ritz-Carlton hotels in Jakarta, "indonesiaunite" became the number one trending topic on Twitter.



PRITA FACEBOOK GROUP

Prita Mulyasari, a mother of two, was detained on May 13, 2009 under the charges of defamation after she circulated emails to her friends complaining of the poor treatment she received at a hospital in Tangerang, near Jakarta. Currently, there is a Facebook group with over 380,000 members supporting her cause.

Prita herself has also been invited to become a speaker at Pesta Blogger, Indonesia's blogger community annual meet-up.

Source: theunspunblog.com/2009/06/02/backlash-begins-against-jailing-of-housewife-who-dared-complain-against-hospital/



Local Branding:
From “HÀNG TÂY” [western goods] To “HÀNG TA” [domestic goods]

Up to now, Vietnamese have regarded international brands and imports as the benchmark of quality. According to Euromonitor, 77% of Vietnamese favour foreign brands, while across Asia the average is closer to 30%. Two factors feed this preference. First, higher incomes resulting from the country's economic development mean more Vietnamese people can afford high-priced products and services. Second, the newly emerging affluent classes in Vietnam want to establish themselves as connoisseurs of fashion and use the ownership of foreign brands to show off their wealth and status. But in 2009, a slew of incidents put imported brands under the gun. The China milk crisis, imported meat scares, and misleading labelling created confusion and doubt over the authenticity of quality claims from imported brands.

In 2010, government communications and pricing initiatives will drive “HÀNG VIỆT” (Vietnamese products) to become synonymous with quality and affordability amongst the mass creating new market dynamics and opportunities for local brands.

Vietnam

Change Agent Natalie Gruis
Ho Chi Minh City



GROWTH AND FRANCHISE OF LOCAL VIETNAMESE STORE CHAINS

Vietnamese-made products and brands are becoming increasingly more acceptable creating competitive choice and the introduction of new tiers such as 'local premium' [where previously, was always defined as imported].

PROMOTION OF VIETNAMESE PRODUCTS

Started in 2009, the government launched a campaign "Người Việt dùng hàng Việt" (Vietnamese people use Vietnamese goods) due to continue in 2010. This initiative promotes the sale and advocacy of Vietnamese originated products and brands.

This is particularly driven through the rural market, which accounts for 70% of the Vietnamese population: the biggest consumer segment to capture in 2010 with rising purchasing power and accessibility.

Source: Business Monitor International 2009



Food:
From **STREET MEAT** To **COSMOPOLITAN CUISINE**

Cambodia is often associated with the image of locals living from hand to mouth, backpackers on budgets and expats craving cheap food. However, Cambodia is currently undergoing a food renaissance with the rise of a small well-travelled Khmer middle class, an influx of returnees, and adventurous business people opening boutique hotels, micro breweries and concept restaurants.

In 2010, Cambodia's vastly improving service sector will further explode and offer deliciously eclectic and adventurous food choices that fuse the familiar with the foreign. Whether you indulge in Kampot pepper crusted tuna in impeccably restored colonial splendour or lounge Mekong-side with a crispy tarantula entrée and silver service, Cambodia's new food revolution reflects the demand for better value, quality and choice from discerning urbanites, Khmer and foreign.

A new unexpected, and unassuming, food capital is on the rise.

Cambodia

Change Agent Marianne Waller
Phnom Penh



FCC cafe franchise

TRADITIONAL TARANTULA BECOMES FANCY FOOD

Traditional Cambodian fare is now being elevated to gourmet status, or fused with western ingredients in swanky restaurants and fast food joints: air flown rump steak with red ants, Coca-Cola chicken roasted in a pot and the favourite tarantula appetizer.



Knyay café

FUSION RESTAURANT EXPERIENCES

Restaurant experiences are delivering more than new tastes for the local and foreign palette: reinventing dining culture.



Metro's signature dining promise



Enterprise:
From **COPING WITH NEW ORDER** To **SHAPING NEW ORDER**

In 2007, India was labeled the 'Bird of Gold' by McKinsey; the market potential was visible on paper and the numbers were promising. Average income per household had doubled since 1985.

But with the global recession, sustainability of the country's growth was put in question creating apprehension that India might not be able to continue its transition to a large middle class society. However, India's relentless entrepreneurship fueled fast recovery and continued growth throughout 2009 proving the country's unrelenting strength and enterprising spirit.

In 2010, India will emerge as the key driver of a new order as this growth enables greater opportunities for local and international business expansion and prosperity, empowering more Indian industries to become significant forces on the global stage alongside the creative industry (music, film) which has already greatly influenced the West.

India

Change Agent Dheeraj Sinha
Mumbai

UNRELENTING ECONOMIC GROWTH

While 2009 was an economic bloodshed for most countries, India's GDP beat all forecasts and fluctuating global markets to register an unbelievable growth of 7.9 % ahead of all predictions, setting a benchmark for continued growth in 2010.

Source: Economic Times of India – 1st December 2009

7.9% GDP

INTERNATIONAL VOICE AND INFLUENCE IN COPENHAGEN

India has emerged as a powerful force in international policy development marked by its influence in the Copenhagen Summit in 2009. National leaders negotiated India's interest on the world stage to protect industry development and economic growth predictions for 2010.



LOCAL BUSINESSES BECOME GLOBAL ENTERPRISE

Tata Motors Ltd. acquired Jaguar and Land Rover (JLR) in one of India's largest mergers and acquisitions in history, enabling the India-based company to acquire a global footprint and enter the high-end premier segment of the global automobile market, creating more jobs for local industries during 2009. Since the acquisition, Tata Motors owns the world's cheapest car – Nano, and luxury marquees like the Jaguar and Land Rover setting itself up as a leader in the global industry into 2010.



Grey Market:
From **SILVER BOOMERS** To **ACTIVE AGERS**

With falling birth rates and rising life expectancy, Singapore's population is greying. Singapore ranks 3rd in Asia for the highest ageing population with 12.5% of the total population aged 60 and above, behind Japan (22%) and Hong Kong (13%). By 2015, 18% of Singaporeans are expected to be over 60.

Source: Singapore Department of Statistics 2008, Euromonitor 2009

2010 will mark a turning point with government policies promoting re-hiring of able, older workers, and an 'active ageing' lifestyle for seniors to live, learn and play. The seniors market in Singapore is expected to grow exponentially as the Baby Boomers go into their silver years.

The good news is that Singapore's Baby Boomers kept spending despite the economic downturn, and aren't showing signs of slowing down with age. From food courts to upscale malls, they are active spenders, shoppers and job holders earning their keeps as the "older."

Source: Council for Third Age

Singapore

Change Agent Eric Chua
Singapore

MARKETING TO A NEW SEGMENT

In 2009, the first ever 50+ consumer fair was held: MasterCard calls them the 'glittering silver segment'. The unexplored 50+ segment will continue to be a powerful consumer in 2010.



PICKING UP SPEED AFTER 50

The 50+ themselves are increasingly capable, long-lived, well-off financially and are no longer wedded to their jobs like their fore-fathers.



Women:

From **'MAKEINU 敗犬'** [loser dog] To **'CH'ING SHOU NU 輕熟女'** [successfully independent 25-35]

In 2010, women will become the driving force of the economy in Taiwan. According to a report by the Ministry of Interior, Taiwan's female population is expected to surpass that of males in five years. As women in Taiwan become active professionals contributing to the nation's gross enrollment, their purchasing power will continue to rise: women 18-39 will control \$440 hundred million in annual consumer spending in 2014 according to Nielsen.

As women in Taiwan continue to gain greater sufficiency and confidence, products and brands in 2010 will need to consider female audiences and their endorsement.

Female sentiment has already showed returns with messages "beat the bad economy with love" and "believe in yourself" to promote PayEasy, the biggest and only online shopping site for women, pulling in sales every 10 seconds.

Taiwan

Change Agent Chunkai Lan
Taipei

FEMALE ENDORSMENTS

Woman autonomy and confidence are becoming more acceptable, even and acclaimed in the drama series 'Veronica Shuang'. The leading lady Cheryl Yang - once referenced as a 'MAKEINU 敗犬' or loser dog for being over 30, successful but single - is now gaining applause as the face of top brands in Taiwan such as Levis, Haagen-Dazs, Lux and Samsung leading the way for the new Taiwanese woman: 'CH'ING SHO NU 輕熟女'.



WOMEN'S SALE FRENZY

With greater independence and economic recognition, women in Taiwan have become a key segment in getting to the cashier.

In October 2009, all department stores hosted an array of anniversary sale events to initiate spending, with 70% of sales from female consumers. As female spending power grows, women will continue to be the target to attract in 2010.



Personal Empowerment:

From **“BAHALA NA”** [leave it to god’s hands] To **“AKO NA”** [leave it to me]

Filipinos have traditionally been known to have a “Bahala na” attitude.

The word “Bahala” is believed to have been derived from the word “Bathala” which in the Tagalog language means God. As a linguistic expression, “Bahala na” signifies leaving something or someone in the care of God. This expression has become a philosophy of life and developed into a significant core of Filipino attitudes.

Fueled by movements that promote personal empowerment, 2010 will mark a change in this attitude as more and more Filipinos begin to realize the importance and value of taking their fate into their own hands. Freedom has never been more in vogue.

Philippines

Change Agent Dean Dee
Manila



VOLUNTEER WATCHDOGS COMMUNITY

A movement sponsored by the country's largest broadcast network "Ako ang Simula" (which translates to "I am the beginning"), asks for volunteers to become watchdogs for the coming elections.

In 2009 there were 50,000 official participants, and this will continue to grow as volunteers all over the country expand. At one point during a leadership forum featuring the presidential candidates, 150,000 Filipino users actively participated and discussed the elections through numerous new media channels.



TYPHOON RESPONSE

The unprecedented damage from typhoon Ondoy drew an unprecedented response of mass donations from both private individuals and companies: ABS-CBN, one of the country's largest television network reported that they were able to collect a staggering P94.97 million of cash donations, while also receiving P108.75 million worth of assorted "in kind" donations.



PERSONAL EMPOWERMENT CAMPAIGN

“Ako Mismo” movement (literally translates to “I, myself”) is funded by the country’s largest telecommunications network aiming to battle “indifference and the feeling that the individual is helpless”.

In 2009, the campaign solicited 295,507 commitments of self action in their “wall of commitments” and will continue to mark self achievement and progress in 2010.



SELF-STARTING SOCIAL CAUSES

Efrén Peñaflorida started a “pushcart classroom” to bring education to poor children as an alternative to joining gangs in 1997. Working with Bates 141, this cause has taken on an estimated 10,000 volunteer members to help teach more than 1,500 children living in the slums.

Efrén’s efforts were recognized by the international community when he was made CNN’s 2009 Hero of the Year.



Social Awakening:

From **MATERIALISTIC 'SING NE 物質升呢'** To **HOLISTIC 'SING NE 全面升呢'**

In 2009, 'SING NE 升呢' (means progression to a new level) was one of the top 3 buzzwords in local media, reflecting a strong aspiration for personal progress in society. However, personal advancement was not fully realized in 2009 due to the global recession.

Source: City University of Hong Kong

The growing sense of recovery in 2010 promises greater progression. Yet, most people, especially the 80 'HOU後' (who are born in 1980's), do not feel like they are going to share the fruit of recovery. A sense of disparity is gaining momentum, with a growing perception of 'SUC CHE 塞車' (socially immobile) phenomenon in which the growth opportunities for younger generations are blocked by the delayed retirement of Boomers.

Whether the 'SUC CHE 塞車' phenomenon is real remains a heated debate, but as the perception grows, a social awakening is occurring: the importance of materialism as badges of success is shifting in favour of non-economic values such as justice, social responsibilities, transparency, work/life balance and quality of life, which will become intrinsic to personal progress and advancement in 2010.

Hong Kong

Change Agent Arthur Chan
Hong Kong

LIFE ENRICHING EXPERIENCES BECOME NEW PURCHASES

Consumers are searching for greater fulfillment from their purchases – not only to flaunt and enjoy their success but also to give them more enriching experiences.



1881 Heritage championing the conservation of local heritage



K11 – the first art mall in Hong Kong

CULTURAL ENLIGHTENMENT AS NEW LUXURY

To a growing number of Hong Kong consumers, luxury means more than luxury labels, that substance and sophistication of experience may take time to learn and appreciate.

Two new shopping malls, 1881 Heritage and K11, opened in late 2009 demonstrated this new luxury mindset by re-defining the customer experience from a pure materialistic enjoyment to a cultural heritage and art appreciation experience respectively.



National Unity:
From **UNITY IN UNIFORMITY** To **UNITY IN DIVERSITY**

40 years ago racial riots raged through Malaysia sweeping away the country's appearance of racial harmony. The Governments' affirmative action program in response bridged the divide to some extent. However, more had to be done. "1Malaysia" was launched to strongly emphasize national unity, ethnic tolerance, and Government efficiency. The website 1Malaysia.com.my facilitates the "1Malaysia" campaign by providing a platform for public dialogue to promote Malaysian unity, religious and ethnic tolerance, as well as a deeper appreciation of Malaysia's cultural diversity. "1Malaysia" is also making extensive use of social media tools such as Facebook and Twitter.

It is therefore expected that in 2010, the campaign will seep into the streets and start to affect consumer mindsets. Brands should be more mindful of promoting ethnic diversity, cultural tolerance and a fair business playing field. National unity will become the new standard for redefining competitive standards.

Malaysia

Change Agent Avinash Lal,
Kuala Lumpur

SOCIAL MEDIA GROUPS

Social media networks have created forums for Malaysians to share their thoughts on policies. With anticipation to what “1Malaysia” will mean to Malaysians, there is a mixture of hope and anxiety to what real outcomes will occur in 2010.



Dato Seri, We are waiting eagerly on how to be engaged with you through a programme you are planning. We truly want to see a better M'sia and believe you can do it. I have a few ideas on 1Malaysia for Penang but never knew how to implement them

Source: 1Malaysia.com.my



A great move to promote better integration and acceptance. Hopefully, its not merely a political propoganda

Source: Street interview



ADVERTISING AND PR

“1Malaysia” has become a buzzword incorporated and themed to everything Government related as well as by local advertisers, who are jumping on to the bandwagon of patriotism to promote the ethnic blind concept of “Bangsa Malaysia” (a Malaysian race) in order to do their part in nation building.



This trend will continue in 2010 with more messages of reconciliation, change and coming together to solve challenges of the nation.



Change happens when
you look at things differently.

PHOTO CREDITS

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