



## **JWT Worldwide Releases Top Confucian Consumer Sightings**

### **Understanding and Embracing China's Different Worldview Is Main Theme of *Billions: Selling to the New Chinese Consumer*, by JWT's Tom Doctoroff**

**New York – January 10, 2005** – In China, brands used inside the home are local and cheap, whereas brands used outside the home are foreign and expensive; a powerful woman decorates her \$1,000 mobile phone with Hello Kitty stickers; and the smartest guy in the class is the coolest guy in the class. These are just some of the interesting facts about the Middle Kingdom released today by JWT, the fourth largest advertising agency in the world and the largest in the U.S.

"Twelve Facts About the Confucian Consumer" was compiled by JWT to coincide with the January 2006 publication of *Billions: Selling to the New Chinese Consumer*, by Tom Doctoroff, CEO of JWT Greater China and Northeast Asia Area Director.

*Billions*, to be published by Palgrave Macmillan, cracks the supposedly indecipherable code of marketing to the New Chinese Consumer—all 1.3 billion of them. In the book, Doctoroff illuminates the critical role of Chinese culture in shaping buying decisions and translates consumer insights into strategies for long-term success in the Middle Kingdom.

"The only way for multinational companies to succeed in China is to fully embrace the fundamentally different worldview that China represents. Outsiders can only penetrate the market by understanding its dramatically different cultural and operational landscape," said Doctoroff.

#### **Twelve Facts about the Confucian Consumer**

1. Chinese people put pineapple, not pepperoni, on pizza. All foods are divided into "heaty" and "cooling" foods, and the two must be balanced at all times. Pizza is heaty, so the pineapple cools it down.
2. In China, "fresh" means "alive." Daoism is still a force in the People's Republic. Daoists believe our natural state is the only "balanced" state. Therefore, Chinese have a deep aversion to manmade preservatives. For that matter, Chinese women get prickly about chemicals in shampoo.
3. Brands used inside the home are locally produced and cheaply made. Brands shown publicly are foreign made and expensive. In a Confucian society, social status is an investment, so consumers will pay a huge premium for mobile phones and high-end alcohol. At home, price sensitivity is extreme. There are no designer bedspreads. Victoria's Secret doesn't stand a chance.
4. Chinese people never have dinner parties. The home is a place of refuge, escape, and, every once in a while, self-expression. Comfort is key. But *where* you live is

paramount, which is why apartment blocks sport such names as “The Gathering of All Heroes Under Heaven” and “Tycoon Court.”

5. More than 80 percent of Shanghai couples now get married with an engagement ring, up from practically zero a couple of years ago. In an unsafe world, men have to demonstrate—not talk about—their love. Women are suspicious of guys who say, “I love you.”

6. A powerful woman decorates her \$1,000 mobile phone with Hello Kitty stickers because she wants to be soft on the outside and like iron on the inside.

7. In China, feminine beauty is a tool that moves a woman forward. Cosmetic surgery is all the rage because it helps a young woman land a job, not a man.

8. Soy sauce can save lives. The thinking is as follows: “If my food tastes good, my family will eat more. If my family eats more, they’ll get more nutrition. If they get more nutrition, no one will get sick. If no one gets sick, no one will lose a job. If no one loses a job, the family will be in harmony. If the family is in harmony, a new generation can be born.” Unlike anywhere else in the world, great taste ladders to good health.

9. In 1995, the Chinese middle class virtually didn’t exist. By 2005, there were approximately 100 million individuals in China with incomes in excess of \$4,000 (even in expensive coastal cities, purchasing parity power is at least 2.5 versus the U.S.). By 2010, there will probably be 200 million middle-class folk.

10. The smartest guy in the class is the coolest guy in the class. Girls really and truly go for brains, not bodies. In a dog-eat-dog, hierarchical Confucian world, intelligence is the ultimate weapon. Health clubs will always be niche.

11. Chinese people squirrel away 40 percent of their income, despite making, on average, less than a tenth of U.S. per capita income. The Chinese believe the fickle hand of fate can turn against them at any time. And there’s virtually no safety net.

12. Germs are the ultimate evil. A Chinese mother’s primary role is to protect the child from harm and shield the family from invasion. That’s why air conditioners, washing machines, soap, food, dishwashers, and television sets all scream, “germ-free.”

In writing *Billions*, Doctoroff pulled from the stores of knowledge he has gained over his 11 years working for JWT in Greater China. For the past three years, he has served as JWT’s Greater China CEO and Northeast Asia Area Director. Under his stewardship, JWT Northeast Asia, which includes China, Taiwan, Hong Kong, and Korea, has emerged as one of the region’s most integrated, creatively dynamic, and strategically insightful networks. In 2003, Doctoroff was named Regional Agency Head of the Year by the region’s leading marketing and advertising publication, *Media* magazine, and in 2004, he received the prestigious Magnolia Government Award in recognition of his contributions to Shanghai’s economic development.

Doctoroff arrived in Greater China in 1994 as a Regional Business Director; based in Hong Kong, he managed several of JWT’s largest multinational clients across Asia Pacific, including Pepsi, Kraft, and Citibank. Four years later, he moved to Shanghai to become Managing Director there, a role he held until he assumed his current position in 2002.

### **About JWT**

JWT, which celebrates its 141st anniversary this year, ranks as the fourth largest full-service network in the world. Its parent company is WPP (NASDAQ: WPPGY). JWT China's key clients include Unilever, the Diamond Trading Company, HSBC, Ford, Nestlé, B&Q, Unicharm, Lenovo computers, China Unicom, and 999 pharmaceuticals, among others.

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