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CLUES REPORT

700 surveys (including face to face or by video conference) of Chinese consumers
 - 18-55 years old age
 - All participants either owned a laptop or interested in purchasing one
 - Asked to rate laptops on specific characteristics
 - Qualitative Data

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SIX CHINESE LAPTOP USER SEGMENTS:

- Entertainment Lover
- Business Focused
- Family User
- Tech Enthusiastic
- Fashion Oriented
- Heavy User

PROJECT COMPASS

- Cross company and Cross National
- Understanding of consumers globally
- Worldwide segmentation
- 4,000 participants from Japan, The United States, Canada, The UK, France, Germany, China and Russia.
- Face to face or Internet Based interviews
- Quantitative data
- 16-65 years old of age
- Used or interested in tv, computer, digital camera, DVD player or audio system

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SIX GLOBAL CONSUMER SEGMENTS:

- Technosocializers
- Performance Seekers
- Status Focused
- Unfussy Basics
- Functional Socializers
- Quality of Lifers

WHY THIS CASE?

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GLOBAL IMAGE OF VIAO AND SONY

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- presented as being sleek
- available in different colors
- design - lighter and smaller



Customer Interviews: A Deeper Understanding of Chinese Laptop Users

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- Forty Chinese VAO laptop owners and their profiles who owned their laptop between 1-10 years old
- Understanding of attitudes, purposes and professional
- Specific are an extension of value lists connecting with efforts
- I don't understand about technology but give me what I want
- Only one applicable for some of the Chinese consumers because it was "young & trendy"

CHINESE LAPTOP CONSUMERS

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CHINA

Being so global has become the global imperative for every world to do so.

Product or service that Sony is marketing should be international.

Segmenting globally from consumers that have common cultural patterns and consumption patterns.

Quality is essential.

We should understand how to work of this, and the best return of the investment in China.

CHINA

China has its own unique preferences. Different values. Different culture. Different consumption patterns. Different consumption patterns. Different consumption patterns.

We cannot get all aspects from different markets in the same market.

Local segmentation makes the information to analyze and understand the Chinese Consumer and the Chinese market more clear.

SUMMARY

Richard Lopez is a product manager for Sony Corporation in Hong Kong. He conducted some marketing researches:

- The Shanghai Report
- Customer Interviews
- Clues
- Project Compass

PROBLEM: Which research to use? Which segment to target? Globally or locally? How to position it?

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DATA



SEGMENTATION AND POSITIONING

Sony should focus on 2 segments

- Family Users
- Entertainment Lover

We choose Entertainment Lover instead of Fashion Oriented segment because of the competency between Apple Macbook.

- "I buy all of Apple's products because they are so cool."

Global Segments	Segment Size	Plans to Purchase a Laptop within the Next 12 Months	Plans to Buy in their Top 3 and	Segment that Laptop Revenue can be Sold in the Next 12 Months
Technosocializers	30%	44%	12%	26%
Performance Seekers	26%	44%	12%	26%
Status Focused	26%	44%	12%	26%
Unfussy Basics	16%	40%	7%	20%
Functional Socializers	16%	40%	11%	20%
Quality of Lifers	16%	40%	11%	20%

3 Core Chinese Values:

- Family
- Honesty
- Personal Relations

Sony have to position VIAO laptop as a family computer.

WHY IS RESEARCH NEEDED, LOPEZ ONLY

It is connected to Lopez's goal. If Lopez wants to improve quality he should do Chinese Research.

China is a traditional and/or more and more consumers in China.

If he wants to improve quality he should do Chinese Research.

Compass Supporting VAO website

- No Lopez should use Chen with the help of Compass Research.

SONY TARGETS LAPTOP CONSUMERS IN CHINA: SEGMENT GLOBAL OR LOCAL?

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GLOBAL IMAGE OF VIAO AND SONY

VIAO focused on being:

- Innovative
- Cheap
- Available in different colors
- Image-conscious
- English
- Lighter and smaller

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CHINESE LAPTOP CONSUMERS

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Customer Interviews A Deeper Understanding of Chinese Laptop Users

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Fifty Chinese VIAO laptop owners and four people who owned alternative brands.

- 20-30 years old
- Including students, parents and professionals

Results are an evaluation of who I am asking for product advice in a way of approaching with others

- I don't understand about technology but give me a related brand.
- Sony was attractive for users of the Chinese customers because it was "young & trendy"

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Global Segments	Segment Size	Market Value	# of Laptop Owners	Market %	Market Size	Market %	Market Size	Market %
Entertainment Lover	18%	1,200	1,200	12%	1,200	12%	1,200	12%
Business Focused	12%	800	800	8%	800	8%	800	8%
Family User	15%	1,000	1,000	10%	1,000	10%	1,000	10%
Tech Enthusiastic	10%	700	700	7%	700	7%	700	7%
Fashion Oriented	18%	1,200	1,200	12%	1,200	12%	1,200	12%
Heavy User	15%	1,000	1,000	10%	1,000	10%	1,000	10%

Consumer Segments in China:

Segment	Market Value	# of Laptop Owners	Market %	Market Size	Market %
Technosocializers	16%	78	13	25	25%
Performance Seekers	17%	78	13	25	25%
Status Focused	17%	78	13	25	25%
Unfussy Basics	24%	67	3	71	71%
Functional Socializers	9%	61	4	68	68%
Quality of Lifers	22%	55	0	65	65%

3 Core Chinese Values:

- Family
- Honesty
- Personal Relations

Sony have to position VIAO laptop as an family computer.

CONCLUSIONS

Sony should be focused on their China market in a very specific way.

Product or service may vary in different markets.

Segmenting products for different markets is important.

Market research can be used to help in the development of a product.

CONCLUSIONS

China has its own unique preferences.

- Different culture
- Different needs
- Different Consumption Behavior
- Different Consumption Patterns

We cannot put all people into different patterns in the same market.

Local segmentation enables the organization to manager and understand the Chinese Consumer and the Chinese market more clearly.

RESEARCH RECOMMENDATIONS FOR SONY

It is connected to Lopez's goals.

If Lopez wants to segment the market, he should use China's Report.

China's Report and other reports and other consumers in China.

If he needs to segment globally, he should use Cross-Cultural Research.

Company's marketing "SWOT" worksheet.

So, I never should use China with the help of Compass Analysis.

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Which segment to target?

Globally or locally?

How to position it?

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GLOBAL IMAGE OF VAIO AND SONY

VAIO focused on being;

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CHINESE LAPTOP CONSUMERS

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As they analyzed from Shanghai Report to gain understanding of the modern Chinese consumers.

They identified three key trends.

- There is inequality among Chinese consumers.
- Cheap products , knockoffs and free software's were in high demand in China's technological market.
- Chinese people used technology as a way of showing off.

Exhibit 4: Market Share for Computer Sales

Brand	Global Share ^a (%)	China Share (%)
Acer	6.3	9.7
Apple	10.4	4.3
Asus	3.9	12.3
Compaq	4.9	3.9
Dell	18.6	20.3
Fujitsu Siemens	6.6	
Founder	1.0	
Gateway	0.8	
HP	12.1	18.9
IBM	3.8	10.8
Lenovo	4.4	23.7
NEC	2.8	
Packard Bell	1.3	
Panasonic	0.4	
Phillips	0.3	
Samsung	4.3	5.3
Sharp	0.4	
Sony	11.9	6.1
Toshiba	5.8	5.9



Customer Interviews: A Deeper Understanding of Chinese Laptop Users

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Forty Chinese VAIO laptop owners and four people who owned non-Sony laptops.

- 21-35 years old
- Including students , parents and professionals

- Brands are an extension of who i am
- Asking for product advice is a way of connecting with others
- I don't understand about technology jut give me a what i want.

Sony was attractive for some of the Chinese customers because it was "young & trendy"

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