

Japanese mobile titans look to global markets

Faced by a saturated domestic market, Japan’s mobile brands are targeting markets overseas. Will it work? By David Blecken

LIVE ISSUE

In a saturated domestic market, Japanese mobile players are facing up to the necessity of outside expansion in order to remain afloat. NEC, Casio and Hitachi recently announced plans to pool their mobile handset technology in a merger that will be finalised next April. The resulting entity will be the largest mobile manufacturer after Sharp, and will look to markets such as China and the US for growth.

But while Japanese mobile firms are known for their innovation, success outside of Japan is far from guaranteed. Post-iPhone, it is late in the day to be contemplating international development.

“Japanese manufacturers have focused so heavily on the internal market in terms of unique functionality, they have not looked at all at the requirements from the rest of the world,” observes Gregory Birge, managing director of F5 Digital Consulting.

As a result, they face the challenge of filling a gap in an already crowded market. Birge states that it would be naïve simply to make compatible and export existing handsets to Asian and Western markets. Increasingly, as Euromonitor’s global head of consumer electronics research Wee



Smapp... the mobile provider has emulated Apple to an extent in its branding

“Time is a luxury manufacturers cannot afford in the world of consumer electronics”

Teck Loo points out, the emphasis within the mobile industry is on packaging, ease of use and connection with consumers, rather than on pure product benefits. With this in mind, Japanese brands are currently poorly positioned for an international push.

“Reputation and consumer perception take time to change,” Loo says. “Japanese mobile phones are always feature-rich, but the consumer electronics world is not only about features and functions. They are generally considered well-featured but difficult to navigate.”

That view is echoed by Blair Currie, CEO for Japan and Korea at Aegis Media. Currie says the only viable option is for Japanese brands to aim to “out-Apple Apple” and offer premium products along with an even more satisfying user experience, identifying “things that people are already using their phones for but do it better.” Currie adds that, for the Japanese, “it’s a mindset issue to move from simply producing great quality products to great quality experiences.” Although Japan is typically recognised for its high level of service, Currie says that aside from mobile provider Softbank, which has emulated Apple to an extent in its branding, overall user experience has not been a priority for the technology industry.

High-quality applications are critical to attaining initial credibili-

ty, according to Loo. Matthias Kunze, regional MD of Yahoo Mobile, adds that the more of these that can be pre-installed, following the domestic model, the better.

There are areas of potential growth. Rohit Dadwal, regional MD of the Mobile Marketing Association (MMA), points to mobile commerce, gaming, coupons and barcode technology. “Japan knows what it takes to make these things successful,” he says. “Other markets are just starting to learn.” However, Dadwal cautions that under-developed markets may present a stumbling block due to lack of infrastructure.

Dadwal adds that Japanese brands should build partnerships in target markets. As well as being important from a marketing perspective, he claims this will be important in adapting to market dynamics and in gaining a solid footing. “There’s every likelihood that things can be fast-tracked through local partnerships.”

In this case, fast-tracking is more of an essential than a luxury. “It took the aggressive LG and Samsung a while to find their feet and create a slick-looking, simple-to-navigate user interface,” says Loo. “Unfortunately, time is a luxury manufacturers cannot afford in the world of consumer electronics.”

Got a view?

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Taiwan ad uses hysterical males to sell more Heineken

While Martin Tsai acknowledges the Heineken ad has created buzz, he questions the morality of a spot that taunts women

ADWATCH



Martin Tsai
Creative director, DraftFCB Taiwan

Heineken Beer

Shoe cabinet manufacturers’ sales should have increased thanks to the global success of TV show *Sex and the City*. It’s no exception in Taiwan.

The topic of differences between men and women is often seen in beer adverts, but this Heineken advert gently taunts women. It has made all male drinkers applaud upon seeing it and no doubt is one of the most-talked-about adverts of recent times.

However, do guys really want to be seen screaming hysterically while jumping up and down? And what do women, who have a preference for Heineken feel after seeing this advert? That’s another topic worth thinking over.

Q: Which of the following TV commercials do you remember seeing recently?

Last ranking	Brand	Agency/TV buyer	%	
1	(-)	Pxmart Supermarket	Ogilvy & Mather/Caplock	93
2	(1)	7-Eleven	Wu’s Advertising/Mindshare	89
3	(2=)	McDonald’s	Leo Burnett/OMD	88
4=	(-)	Taiwan Cellular Corp	Dentsu/ZenithOptimedia	87
4=	(2=)	Vibo Telecom	United Communications Group/Vizeum	87
6	(-)	FarEasTone Telecom	Ogilvy & Mather/Mindshare	83
7	(-)	Heineken Beer	Leo Burnett/Carat	81
8=	(7)	La New DCS Shoes	Partner/Carat	80
8=	(-)	Chunghwa Hinet Service	United Communications/Carat	80
10	(-)	Sensodyne ProNamel Toothpaste	Grey/Mindshare	80
11	(-)	Taiwan Life Insurance	McCann Erickson/MEC	77
12	(-)	Nestlé Lemon Tea	BBH/Starcom	76
13=	(-)	Whitehorse Drink Supplement	In-house/Coors Communication	75
13=	(-)	Chunghwa Telecom Mobile Service	United Communications/Carat	75



Adwatch research was conducted in the last month as part of **AsiaBUS**, a monthly omnibus survey of 1,000 adults by **Synovate** – **Gigi Chan**: 852-2837-8254. **OMD** provided the list of television commercials for the research – **Guy Hearn**: 65-6876-6876.



27-**7-Eleven**



7 **Heineken Beer**



12 **Nestlé Lemon Tea**