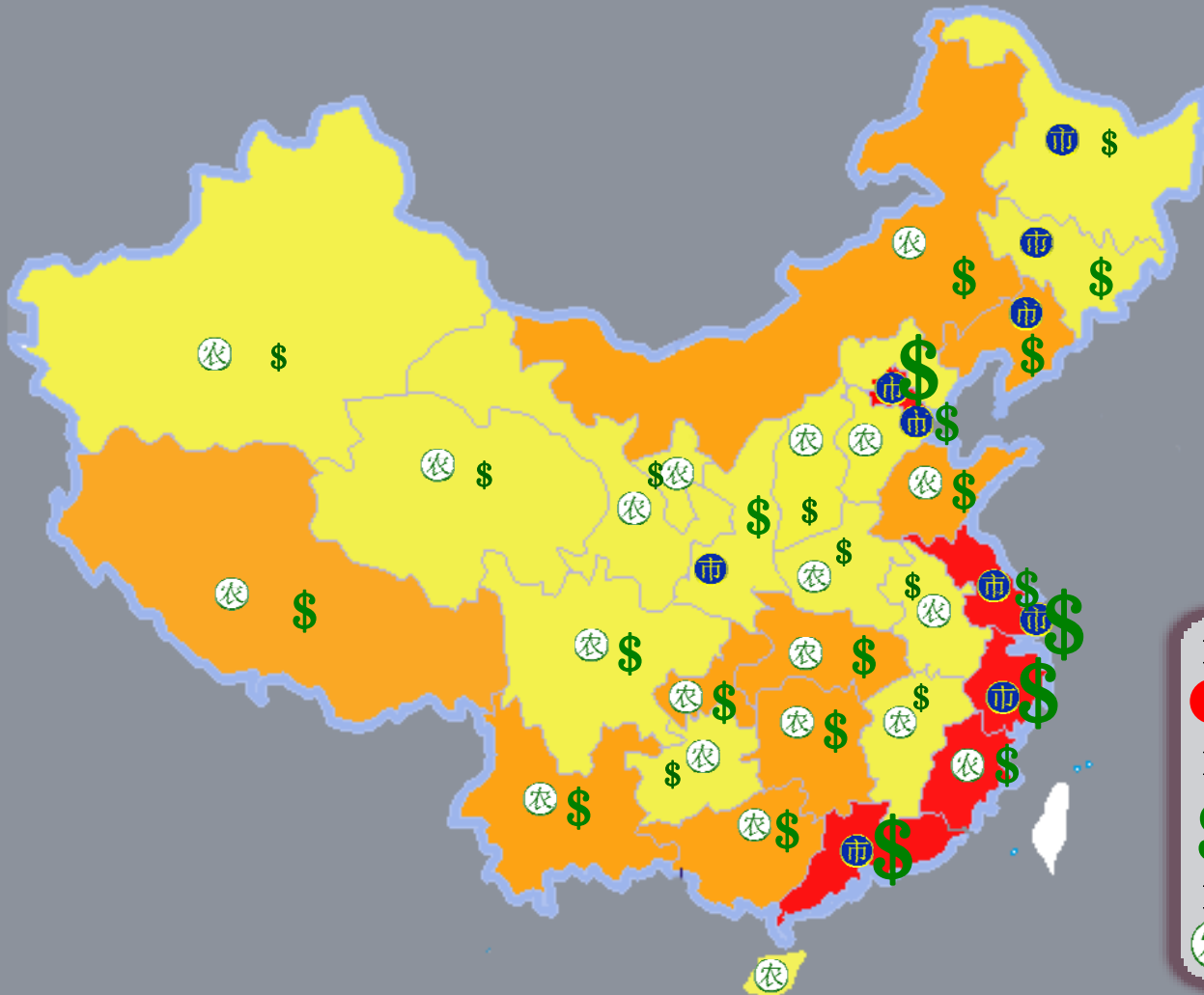




September 25 Map: Where is Your Target Market?

With \$1.3 billion consumers in China, many consider it to be potentially the market with the greatest future potential. However, many outside of China are unable to accurately assess the true market size and dynamics, and thus have a difficult time understanding why their particular product performs the way it does. An executive once said that to win the war, “you needed to capture the countryside” (Yellow), but for many MNCs the focus is on the East Coast (Red) as they have historically the highest disposable income and expenditure trends. Lately though, MNC firms have begun to enter into the grey area (Orange).



Quick Facts: China's Consumption (2005)

- Number of millionaires in China: 320,000
- Size of luxury car market: 150,000 units
- Tons of wine imported: 53,000
- Number of fans sold: 46.8 million
- Number of refrigerators sold: 10.5 million
- Number of laptops sold in 2004: 2.4 million
- Value of fast food market: \$21.7 billion USD

Note: All Statistics are found on publicly accessible websites

Disposable Income

- > 15,000 RMB
- > 10,000 RMB
- < 10,000 RMB

Household Expenditure

- > 10,000 RMB
- > 6,500 RMB
- < 6,500 RMB

Population

- Rural >50%
- Urban >50%