



Consumer Insights into Globalisation

August 2006



Half the world's consumers buy into globalisation

But local tradition and culture pay the price

Dressed in the latest international fashion brands, drinking a can of imported cola as you browse the Internet at a well-known cafe chain – it's taken so much for granted these days that few would consider such a contemporary lifestyle the result of globalisation.

According to ACNielsen's latest Global Online Consumer Opinion Survey, half the world's online consumers agree that globalisation has improved their lives considerably - from gaining access to international news and entertainment, to enabling ownership of goods and services the same as anyone else in the world, to breaking down cultural differences and creating more job opportunities.

The 2005 ACNielsen global consumer opinion survey polled over 23,500 consumers online in 42 markets in Europe, North America, Asia Pacific, Latin America, South Africa and the Middle East.

Among the world's consumers, Latin Americans and Asians are the biggest supporters of globalisation, and the value it adds to various aspects of their lives.

"Experiencing accelerated global integration, people in the relatively less developed or fast growing markets have greatly benefited from increased access to products, services and opportunities not possible without globalisation," said Tom Markert, Senior Vice President, VNU Marketing Information Group.

According to the ACNielsen survey, consumers in the Philippines, Malaysia, Taiwan, South Africa and India unanimously agree on the value of globalisation, while people in Greece and Thailand are comparatively more skeptical.

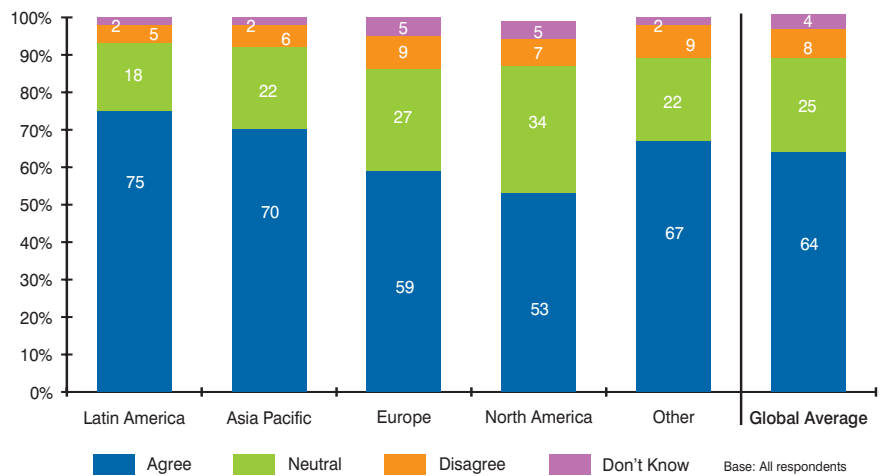
Access to news, entertainment and information from all over the world

Three quarters of Latin Americans (75%) agree that with globalisation, they have greater access to news, entertainment and information from all over the world. People in Asia Pacific were the next biggest supporters (70%).

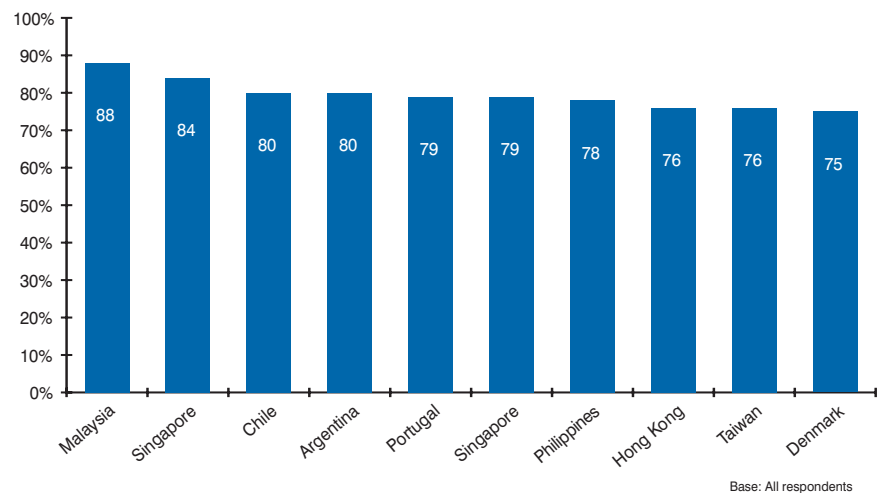
Five of the top 10 countries that agree globalisation gives them access to news, entertainment and information hail from Asia Pacific, led by 88 percent of Malaysians, 79 percent of Singaporeans and 78 percent of Filipinos.

“Information technology is a driving factor in the process of globalisation. The emergence of numerous Internet-enabled news-gathering and dissemination outlets, chat rooms, blogging, instant messaging systems, e-mail, electronic bulletin boards and other Internet-based communication systems have made it much easier for people to communicate, exchange information and collaborate with each other”, commented Mr Markert.

Global companies give me access to news, entertainment and information from all over the world



Global companies give me access to news, entertainment and information from all over the world
Top 10 Agree



Purchasing the same quality of goods and services globally

The breaking down of international trade barriers has enabled consumers around the world to enjoy a broader selection of goods and services previously not available to them. Most in agreement with this are 81 percent of South Africans, followed by 77 percent of Indians and 76 percent of Filipinos.

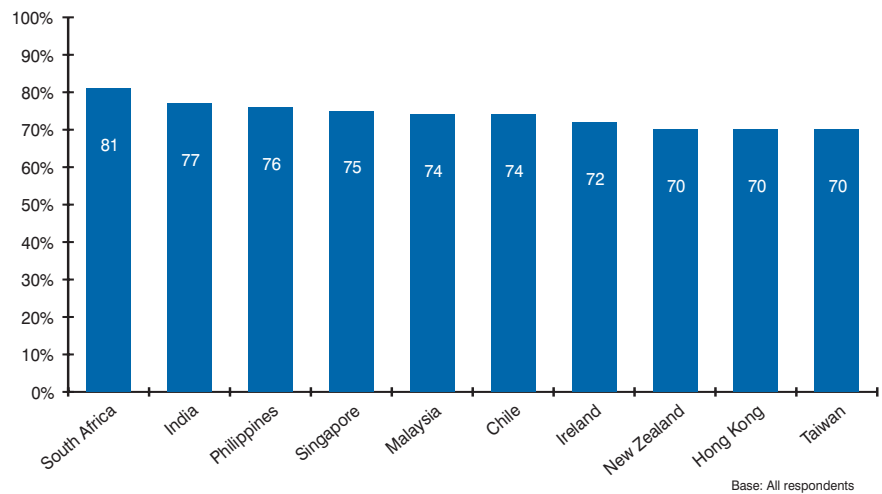
At the other end of the spectrum, about one fifth of French, Koreans and Finns are unconvinced, possibly concerned that globalisation threatens the viability of locally made products and jobs.

Increased job and career opportunities

Globalisation has also created a world of job opportunities. Over half of Latin Americans (57%) and consumers in Asia Pacific (53%) believe that more global business in their markets brings greater job opportunities and better working lives. Most in agreement are Indians (78%), followed by Filipinos (73%) and the Chinese (71%). Not surprisingly, six of the top 10 countries in agreement that globalisation brings about increased job and career opportunities hail from the Asia Pacific region.

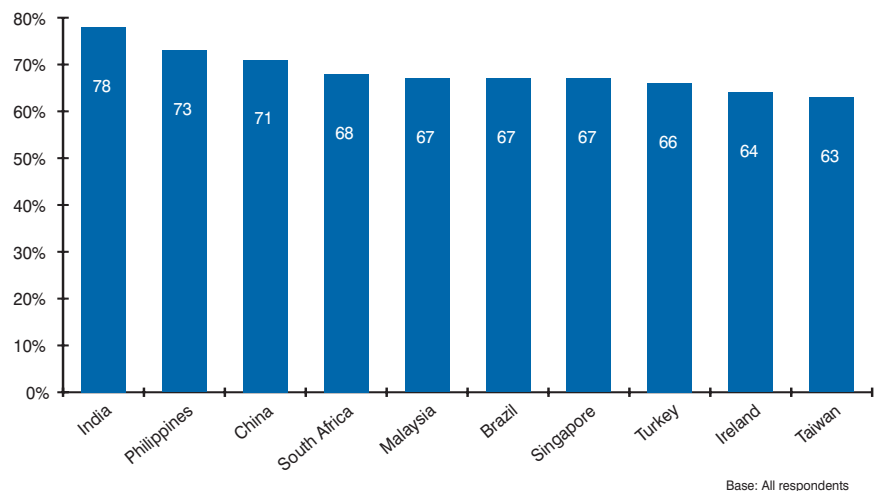
Global companies allow me to gain access to the same quality of goods and services available to anyone else in the world

Top 10 Agree



Global companies bring increased job and career opportunities

Top 10 Agree



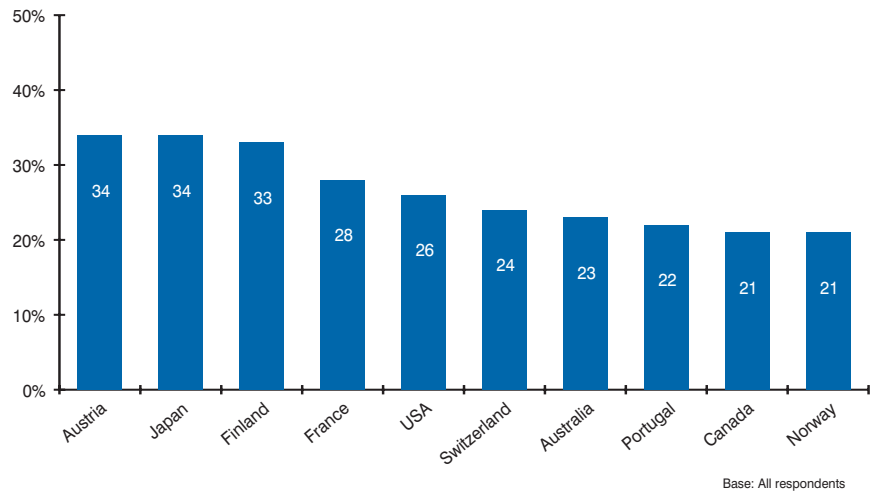
"Today, globalisation and in particular the Internet, has transformed commerce tremendously, creating new ways for retailers and businesses to market their products and interact with their customers, and for job seekers and recruiters to seek each other out", said Mr Markert. "Globalisation is impacting every sector and almost every part of our lives, whether through the advertisement and movies we see, the use of products or the transfer of talent in the sports industry from Asia to the US or Europe".

On the flip side, however, six of the top 10 who disagree originate from Europe, with Austria (34%) leading the way. In Asia, a third of Japanese and nearly a quarter of Australians also disagree that globalisation brings increased job and career opportunities.

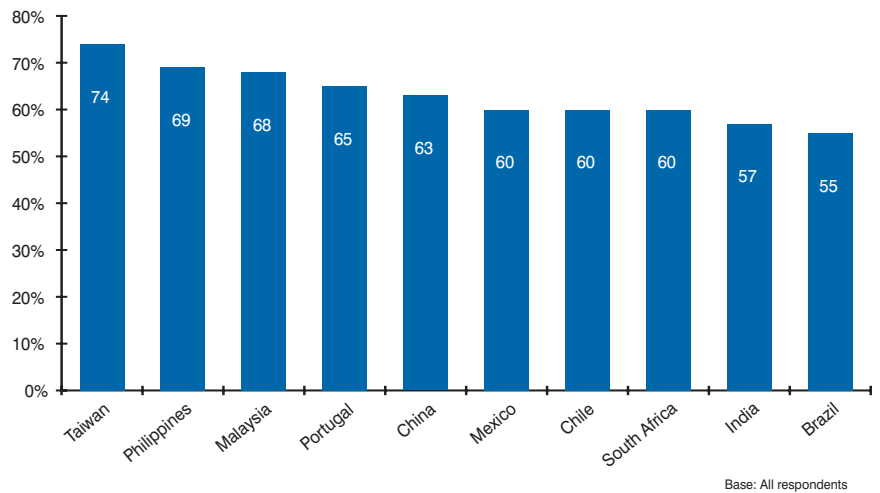
Breaking down cultural borders

When it comes to the benefit of cross cultural understanding, the Latin Americans lead the way with 57 percent in agreement, followed by the Asia Pacific region with 48 percent. The top 10 in agreement is made up of five Asian countries, the Taiwanese (74%), Philippines (69%) and the Malaysians (68%) making up the top three. At the other end of the scale 41 percent of Thais and 36 percent of Austrians disagree globalisation helps break down borders and enables better understanding and tolerance of other cultures.

Global companies bring increased job and career opportunities
Top 10 Disagree



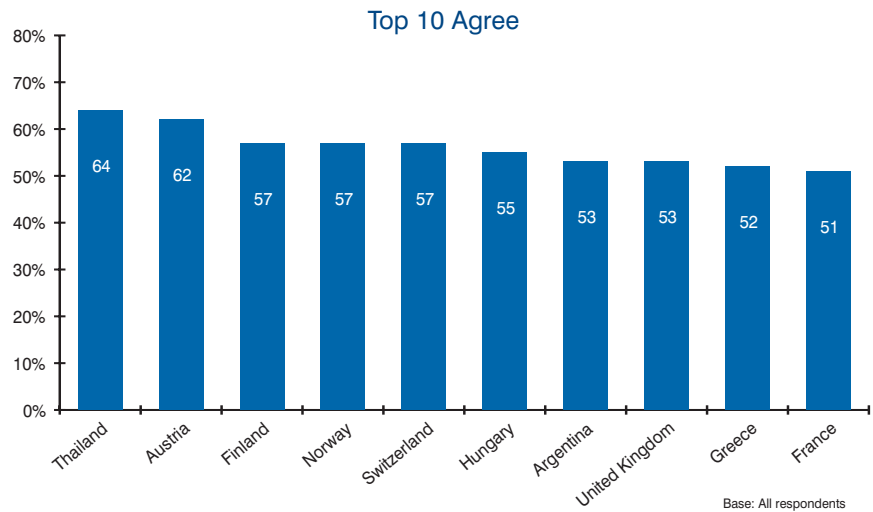
Global companies break down borders and teach understanding and tolerance of other cultures and societies
Top 10 Agree



Local traditions and cultures under threat

Holding strong to their cultural values, Thais in particular (64%) agree that the spread of globalisation is a threat to local traditions and culture. Following close behind are Austrians (62%) and Finns, Norwegians, and Swiss (each at 57%). In fact, eight of the top 10 markets who agree that globalisation threatened local traditions and culture hail from Europe, suggesting that these developed countries may feel more threatened by globalisation, than benefited by it.

Local traditions and cultures are being threatened by the spread of globalisation

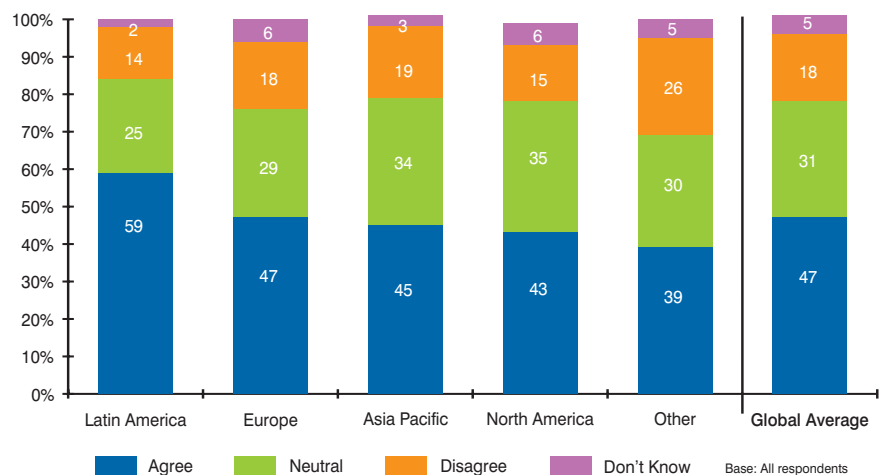


Interestingly, 38 percent of Americans felt that local traditions and cultures are threatened by globalisation, while many would argue that the US has already heavily exerted its hegemonic influence on the rest of the world through popular culture and the news media.

Values change and life becomes impersonal

While overall, Latin Americans are generally supportive of globalisation, 59 percent agree that it is changing their values and making life too fast and impersonal. Meanwhile, 47 percent of Europeans also agree with this statement, further supporting their opposition to the spread of globalisation.

Globalisation is changing our values and making life too fast and impersonal



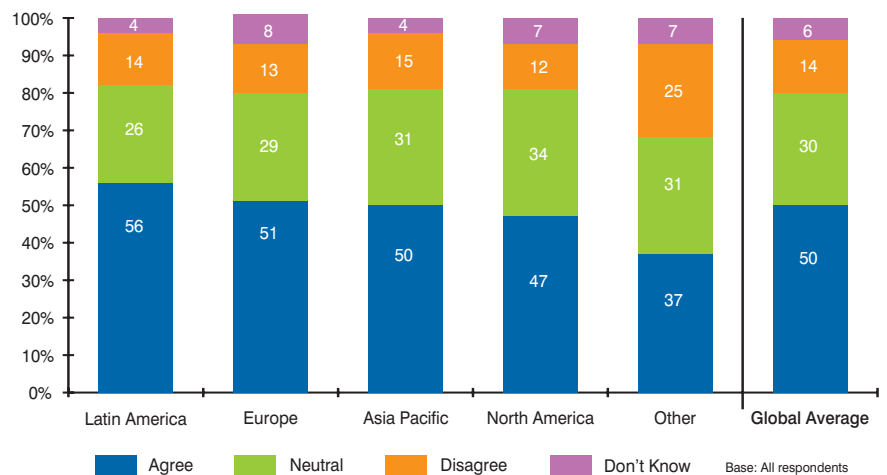
Vulnerability to global trends and events and the impact on local economies

One of the reasons why some consumers may hold back on buying into globalisation could be a general feeling that it has made their local market economy more vulnerable and more easily affected by trends and events in the other parts of the world.

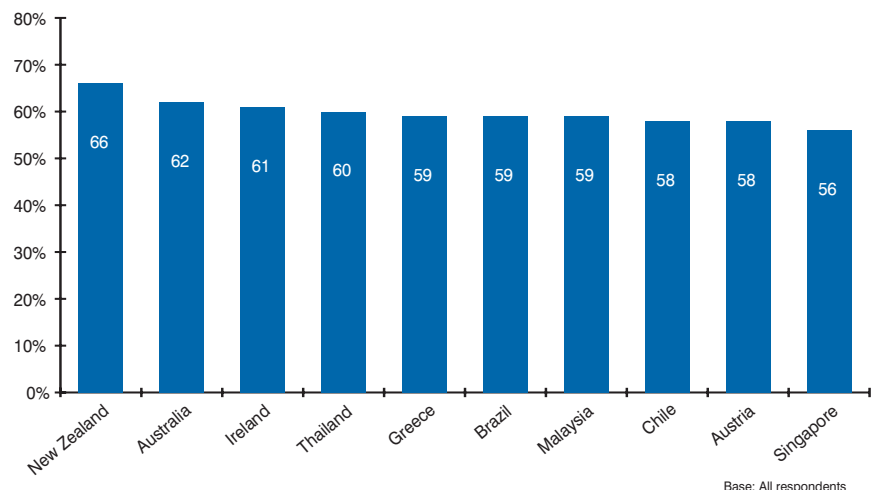
More than half of the Latin Americans (56%) surveyed feel that globalisation makes their local economies more vulnerable, followed by the Europeans (51%). Interesting to note is that five out of the top 10 in agreement with this notion hail from the Asia Pacific region, lead by New Zealanders (66%), Australians (62%) and the Irish (61%).

“There are supporters and oppositionists to globalisation, however the challenge is not to prevent it, but to manage it in such a way as to maximise the benefits for all”, commented Mr Markert.

We are now more vulnerable to trends and events elsewhere in the world that can have a negative impact on our local economy



We are now more vulnerable to trends and events elsewhere in the world that can have a negative impact on our local economy
Top 10 Agree



About the Survey

The ACNielsen Global Online Survey, the largest twice-yearly survey of its kind, is conducted to gauge consumers' attitudes and opinions towards a variety of topical issues. The most recent wave of the survey took place in November 2005 and polled over 23,500 consumers – regular Internet users – in 42 markets in Europe, North and Latin America, Asia Pacific region, Africa (Republic of South Africa) and the Middle East (UAE).

About ACNielsen

ACNielsen, a VNU business, is the world's leading marketing information provider. Offering services in more than 100 markets, the unit provides measurement and analysis of marketplace dynamics and consumer attitudes and behaviour. Clients rely on ACNielsen's market research, proprietary products, analytical tools and professional service to understand competitive performance, to uncover new opportunities and to raise the profitability of their marketing and sales campaigns. To learn more, visit www.acnielsen.com.

The 42 Markets covered in the Global Online Survey were:

Europe:

Austria
Belgium
Czech Republic
Denmark
Finland
France
Germany
Greece
Hungary
Ireland
Italy
Netherlands
Norway
Poland
Portugal
Spain
Sweden
Switzerland
Turkey
UK

Asia Pacific:

Australia
China
Hong Kong
India
Indonesia
Japan
South Korea
Malaysia
New Zealand
Philippines
Singapore
Taiwan
Thailand

Latin America:

Argentina
Brazil
Chile
Mexico

North America:

USA
Canada

Other:

Russia
South Africa
United Arab Emirates

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