



Emerging Markets in Asia

Asia emerging markets

- With the exception of Japan – all markets within Asia are considered emerging markets.
- Hong Kong and Singapore are considered to be safest bets.
- S. Korea and Taiwan both are considered more risky - but their market size offer greater opportunity.
- All eyes are on China and India

INDIA

- Demographics

- One sixth of the world's feet

- Largest Youth Market in the world – 190M
60 million more to be added by 2010

- Lowest median age across nations: 24

Market Potential

■ Economics

- One of the fastest growing (7 %) economies in the world.
- 14% consumers (140 million) account for 40% of consumption.
 - Their Purchasing power has doubled since 2000
 - 66 million Premium Global Brand Buyers
 - 74 million Value Buyers - Potential buyers of global brands.

Growth Prospects

Large consumption growth rates expected :

- ◆ 83 Million people to join workforce
- ◆ Increase in literacy and education
- ◆ Greater exposure to global economy

Retail Landscape

- 600 Malls under development
 - Oversupply of retail space
- Global Retailers absent

We anticipate India as vertical market – single brand store concept

NB Stores - China



China

- 15-24 year olds.....powerful demographics
 - 200 million + citizens
 - 43.5% have more than 14 years of education compared to 34.4% of 25-39 year olds
 - 26.3% have mastered at least one foreign language compared to 13.4% of 25-39 year olds

Some key factors

Branding

- Align global – tweak for local
- Each market is unique – but in today's global economy each market influences others

■ Personnel

Local management in start-up: Entrepreneurial Emerging markets
(any new market) is a start up to local management – staff accordingly

- Full support form corporate – priority with senior management
- On-going monitoring of progress, investments – things change quickly in emerging markets!
- Allow local team to be creative and flexible

■ Protect your intellectual properties!!