



Green Brands Survey China

September 18, 2008



- **Environmental concerns are truly national concerns in China**
 - 80% of Chinese think that “environmental protection” is a concept relevant to China
 - Chinese think that they’re on the right track
 - They’re bullish on China as well as on its environmental record
 - In fact, Chinese rank environment as a more important issue than the economy
- **Chinese say that they are ready to go green with their pocketbooks**
 - 56% of Chinese say that they are willing to pay more for goods and services that protect the environment
 - 66% say that they will spend more on green products next year
- **Chinese consumers want to do business with green companies**
 - Chinese strongly associate green companies with being trustworthy and innovative, and think that they provide safe working environments and high-quality goods and services

Chinese Optimistic About Country, Environment

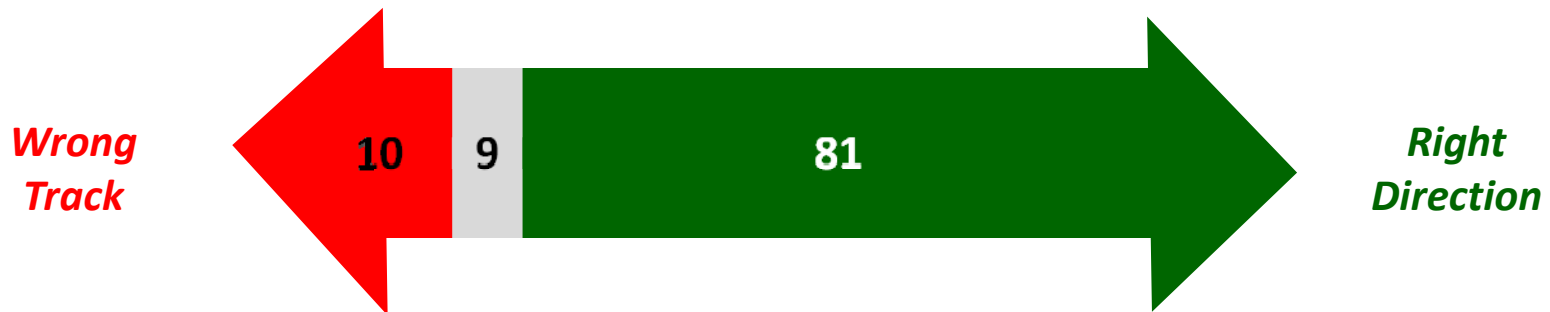
PSB


Large majorities think that both the country in general and the state of the environment are on the right track

In general, do you think the general state of the country is heading in the right direction or are they off on the wrong track?



Do you think the state of the environment in the country is headed in the right direction or is it on the wrong track?



 = Don't Know

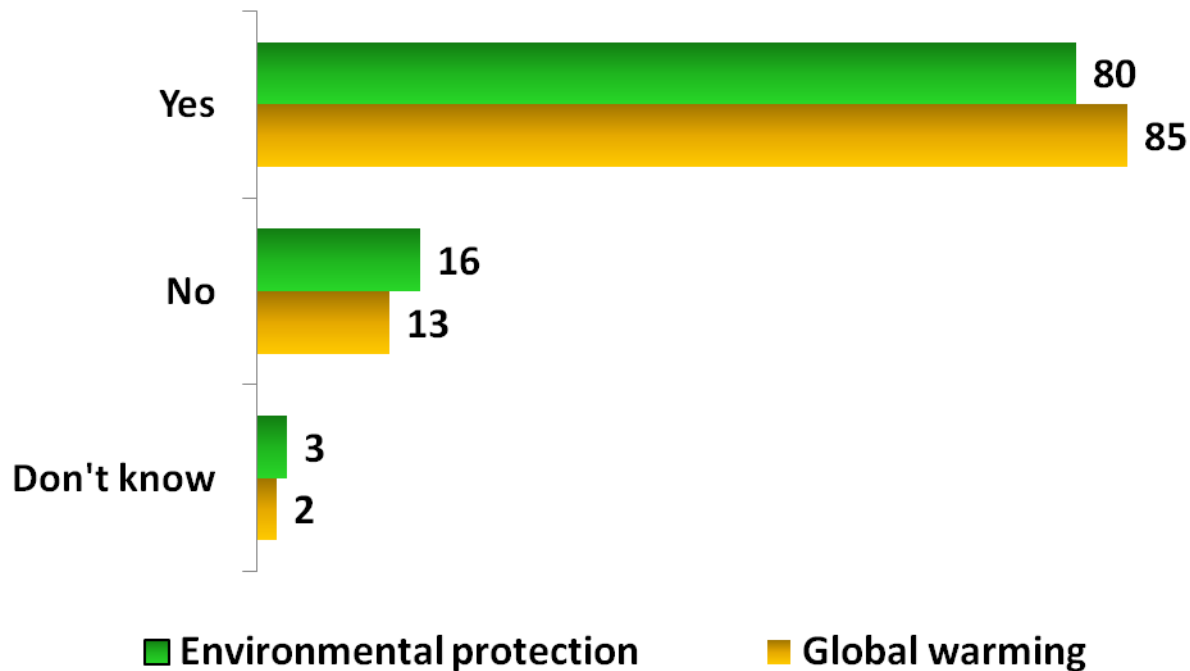


Relevance of Green Concepts to Life in China

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A majority think that “environmental protection” and “global warming” are concepts relevant to China

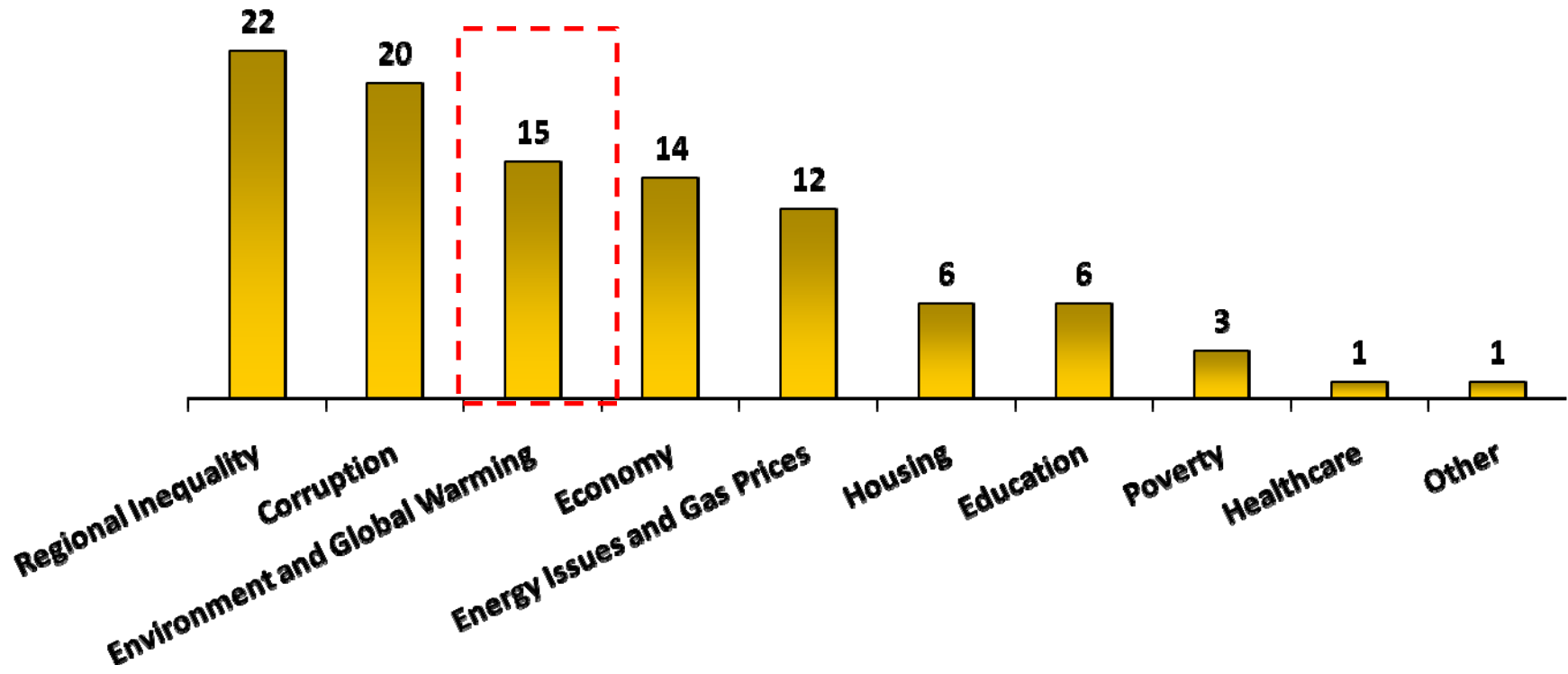
Do you consider environmental protection // global warming a relevant concept in China?



Environment Seen as a Key Issue Facing China

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When Chinese are asked what the most important issues their country faces are, the environment/global warming beats the economy, and it is not far behind corruption and regional inequality



Chinese Concerned About Economy, Willing to Spend on Green

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A majority say they are willing to pay more goods and services to reduce negative impacts on the environment, despite being more concerned about the economy than about the environment

Which concerns you more?

Economy



Environment



Which is closer to your view?

Protecting the environment is important, but the price of products and services is more important to me.

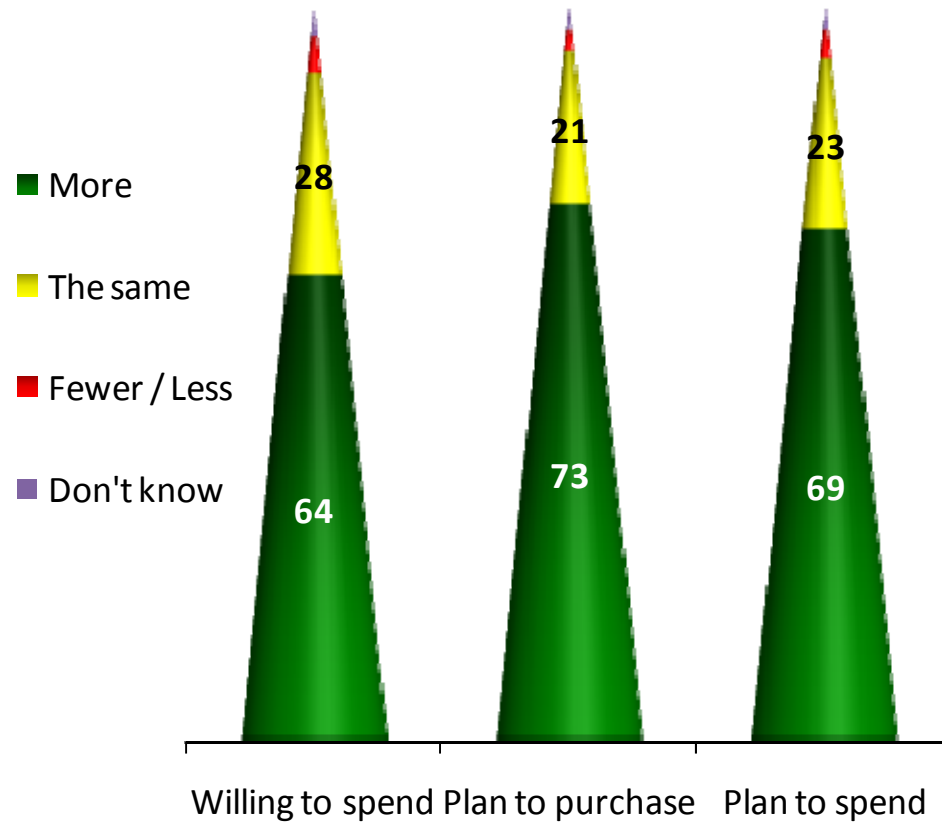


Buying green products is important and I am willing to pay more to reduce my negative impact on the environment.

■ = Don't Know

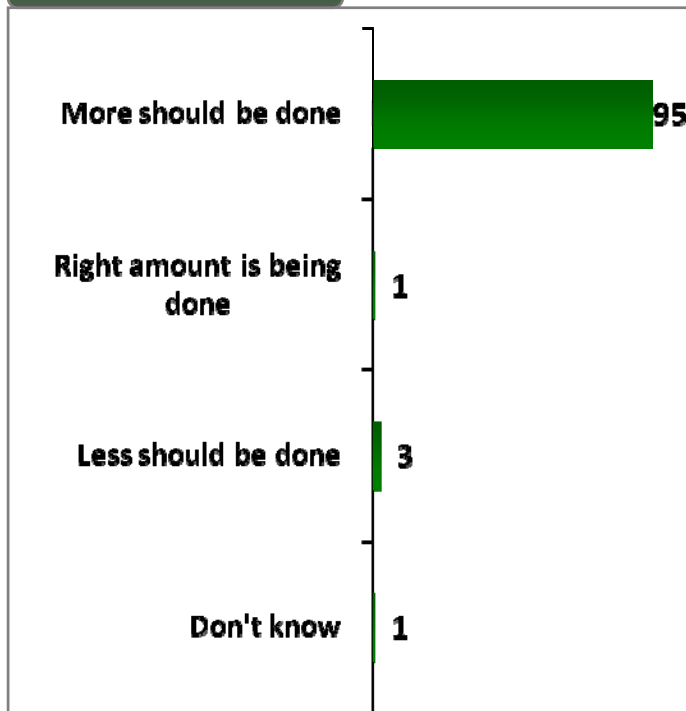


In fact, about two-thirds of Chinese consumers expect to spend more on green products and services in the coming year



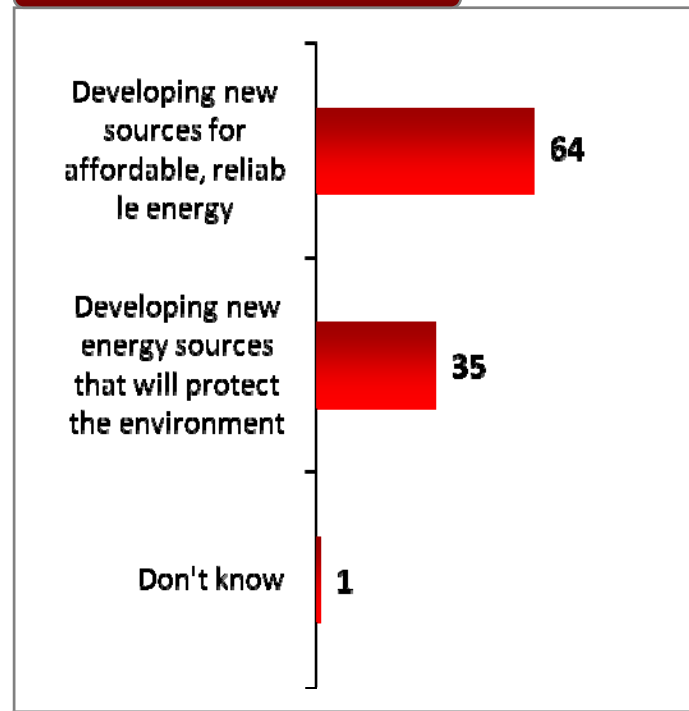
Nearly all Chinese agree that more needs to be done to reduce greenhouse gas emissions. But economic realities remain influential, and when forced to choose, a majority emphasize affordable and reliable energy over energy sources that strictly protect the environment.

Reducing Emissions



Do you think more or less should be done in this country to reduce greenhouse gas emissions and air pollution associated with electricity production, or do you think that the right amount is being done already?

Affordable v. Clean Energy



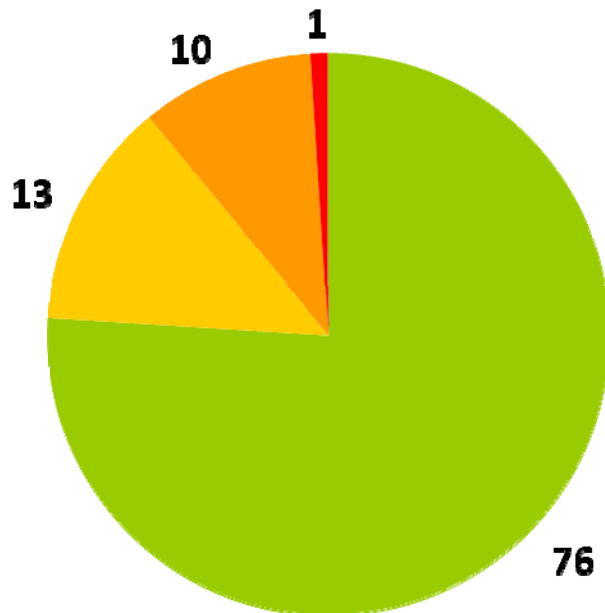
Which concerns you more?

Responsibility for Environmental Changes

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Ultimately, the Chinese believe the most important way to protect the environment is through government action. Only 1 in 10 think the marketplace or individual consumers can effectively initiate change

Which is closer to your view in terms of what is most important for environmental change?



- It should be up to the government to implement broad policies and standards to initiate environmental change.**
- It should be up to companies and the marketplace to initiate environmental change.**
- It should be up to the individual consumer to initiate environmental change.**
- Don't know**

Still, there seems to be a positive relationship between consumers' purchase intent and their perception of a brand as "green." Chinese consumers consider Technology and Electronics to be the greenest industries, and Grocery/Supermarket and Energy firms as the least green .

<i>Winning Brands within Industry</i>		<i>Industry</i>	Green	Purchase Intent
	Baidu	Technology	62	97
	Lenovo	Electronics	61	85
	CMB Bank	Financial	58	87
	China Mobile	Mobile phone carriers	53	94
	Haier	Electrical appliances	64	88
	Nokia	Phones	56	86
	FAW-Toyota	Automotive	42	52
	Air China	Airline	43	80
	L'OREAL	Beauty/Cosmetics	42	71
	Wal-Market	Grocery/Supermarkets	48	80
	Shell	Energy	39	66

- Find out more about the Green Brands Survey: China
 - Where your company ranks on the green scale – and how your ranking affects your reputation
 - What green products and services Chinese are willing to pay more for – and which ones they're not
 - The impact of demographics and psychographics on green views
 - What Chinese think companies can do to be more green
 - What sources of alternative energy that interest Chinese citizens the most
- For more information, please contact Beth Lester at blester@ps-b.com