

LED BY COKE, CREAM RISES TO TOP BEFORE OLYMPICS

TORCH AND OFFICIAL SPONSORS IMPROVE MARKETING “ROI “

Beijing, January 2008 – The latest round of China’s largest Olympic research - by R3 and CSM Media Research amongst Chinese consumers shows significant improvements in the overall interest of the Olympics in China, and increased support for the torch and Olympic sponsors.

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“Since we started tracking eighteen months ago, support for the Games and sponsors is now at an all time high, and complaints about the event ,such as traffic and pollution, is now at its lowest point” said Greg Paull, Principal of Beijing based consulting firm R3. “A lot of this can be credited with improved marketing campaigns - offering tangible rewards such as tickets, torch opportunities and supporter mechanisms” he added.

Media Spend and Program Sponsorship up

Marketing and media activity is also now at unprecedented levels amongst sponsors. “To date, we’ve seen more than RMB30b in measured media spent by key sponsors – and we expect at least that much again in the coming months” said Matt Brosenne, International Client Services Director, CSM Media Research, a TNS Group Company and partners in the study with R3. “This excludes more than 300 hours of content in the last three months sponsored by key players such as Lenovo, Coca-Cola and Yili, amongst others” he added.

Coca-Cola leads the way

After more than 8,000 face to face interviews in ten key Chinese cities, Coca-Cola lead the study in terms of Olympic awareness, purchase intent and recall. “Coke have made some big bets with Liu Xiang and Yao Ming, and supported it with consistent, integrated marketing” said Mr Paull. “More than 38% of respondents spontaneously mentioned Coke as a sponsor, up from just 10% a year ago” he added.

Coke performed strongest in terms of promotional recall and media efficiency. “Coke’s return on investment is now the best of any of the official Olympic sponsors” said Mr Brosenne. “This wave they invested just 5% of total Olympic

media expenditure and achieved 29% promotional recall – driven by their Dream Team, Torch Relay and Yao Ming association” he added

Other Torch Relay sponsors moving up

Interest in the Torch Relay is now almost as high as in the games themselves, with the event scheduled to cover more than 100 cities and 100 million participants in China alone. Other sponsors Lenovo and Samsung were among the five fastest movers this wave. “The new Lenovo communication is clearly touching the hearts of Chinese – recall and interest is at a new high” added Mr Paull.

OP scores growing amongst leaders

R3 and CSM’s proprietary “OP Index” shows continued growth by the leaders as they build closer connections between their brands and consumers. The OP Index includes results from awareness, brand values, promotional impact and purchase intent over time.

TOP FIVE “OP” COMPANIES – WAVE 6

1. Coca-Cola
2. Yili
3. China Mobile
4. Pepsi
5. Lenovo

TOP FIVE “OP” MOVERS – WAVE 6

1. Coca-Cola
2. China Mobile
3. Lenovo
4. Samsung
5. Sohu

Chinese companies perform well

More than in any previous Olympics, the local companies continue to perform well in terms of marketing recognition. In this study, they occupy 10 of the top 21 positions, attracting strong recognition and positive local spirit for their sponsorship investments

TOP TEN LOCAL COMPANIES – WAVE 6

Yili

China Mobile

Lenovo

Mengniu

Li Ning

Bank of China

Haier

PICC

Arawana

Air China

Marketing clutter increases

R3 and CSM also tracked more than 600 new marketing campaigns in the last three months related to the Olympics. “The noise levels are going to go off the scale” said Mr Paull. “The marketers that are winning are doing so through consistency and creativity, not through spend alone. Smaller spending companies such as VISA and adidas are still competing well” he added

Major new marketing campaigns included

- New campaign from Yili featuring Liu Xiang and Company CEO Pan Gang, clearly demonstrating the company’s commitment and Olympic sponsorship
- New Olympic Torch communication from Coca-Cola, Samsung and Lenovo
- New marketing initiatives from China Mobile, launching a mobile website with Olympic information
- New Olympic campaign from UPS focusing on delivery leadership
- “Green Olympics” initiatives from VW, Lenovo and others
- New spot from VISA featuring Jackie Chan in his quest to get Olympic tickets

APPENDIX

MORE ON THE OP INDEX

The OP Index is an equally weighted benchmark of four core measures tracked every three months through 1,500 interviews in ten Chinese cities. It balances brand performance in awareness (brand spontaneously mentioned as Olympic sponsor), purchase intent (brand is more likely to be purchased as a result of sponsorship), promotional impact (brand's Olympic messages have made a positive impact) and brand association (brand is appropriately aligned with the Olympic ideals). The benchmark is weighted from the first wave of research conducted in July 2006. The next wave of results will be complete April 2008

For more information contact Greg Paull at greg@rthree.com.cn

About R3

R3 is an independent marketing consultancy whose aim is to improve the efficiency and effectiveness of Asian marketers and their agencies. Founded in 2002, it works with more than ten of the Olympic sponsors on analyzing and improving their sponsorship return on investment

For more information, visit www.rthree.com or write to emma@rthree.com

About CSM Media Research

CSM Media Research manages China's largest ongoing media research in China, reaching 224 cities and 54,000 homes on an ongoing basis. Founded in 1997, it is a joint venture between TNS, the world's largest custom market research company and CTR, China's leading market research company

For more information, visit www.csm.com.cn or write to mattb@csm.com.cn