

December 17, 2008

Hakuhodo Institute of Life & Living
***The Dynamics of Japanese “Sei-katsu-sha”*: 2009**

The Third Stage of Contentment **—Sei-katsu-sha, the Renovators of Society—**

- 72.4% “often anxious about the world” up from 53.1% in 1992
- Top three worries: “health,” “pension availability” and “old age”

***Sei-katsu-sha* everywhere are driving a “social renovation” movement that is on a scale that goes beyond individual efforts and resources.**

Every year, the Hakuhodo Institute of Life & Living (HILL) publishes *the Dynamics of Japanese “Sei-katsu-sha”* outlining its predictions for the future. For the 2009 issue, HILL drew on its 2008 *Seikatsu Teiten* benchmark survey and other data to map trends in *sei-katsu-sha* consciousness. Today, reflecting rising global anxieties, we see the emergence of *sei-katsu-sha*-initiated “social renovation.”

SEI-KATSU-SHA TRENDS

Society and lifestyle foundations are under threat. Anxious about Japan’s future, *sei-katsu-sha* want “stability.”

1. From the *Seikatsu Teiten* Survey

- Concerned about the future, 72.4% of respondents are “often anxious about the world,” up from 53.1% in 1992. 44.2% say they want “a stable life,” up from 27.6% in 1992.
- A sense of crisis prevails: 32.5% state that “no matter the tax cost, improve social welfare,” 49.8% say they “act environmentally” and 19.5% say “food safety concerns me.”
- 77.0% of respondents think “Japanese should focus more on the nation and society,” up from 68.8% in 1992.

2. From the Free Association Mapping Survey

- The top three worries are “health,” “pension availability” and “old age,” even among younger people. Concerns are growing about social issues that are too big for individuals to address by themselves.

EMERGING TRENDS

“The Third Stage of Contentment”—peace of mind throughout society; *sei-katsu-sha* take up the challenge of “social renovation”

HILL predicts further change prompted by the growing anxiety. The “First Stage of Contentment” saw emphasis on personal security in the post-economic bubble era; the “Second Stage of Contentment” from the late 1990s focused on strengthening familial and community ties. In today’s uncertain global economy, we foresee a “Third Stage of Contentment,” namely, *sei-katsu-sha*-initiated social renovation.

The Emerging Post- “Third Stage of Contentment” Society—Social Renovation Will Demand a Shift to a C to B Perspective

Social renovation has already begun, driven by individuals’ intentions and actions—including local community greening efforts, the private operation of libraries and consumer preference for items whose manufacturers contribute part of their profits to society. This “aggregate momentum” model for change sees social renovation as the cumulative result of underutilized individual effort and is complemented by the “active participant” model, which sees individuals who had previously been the passive beneficiaries of society become active providers in their communities through volunteer activities. HILL predicts that industry will begin systemizing the knowledge and efforts of *sei-katsu-sha* and anticipates a shift to a C to B (consumer to business) perspective. This will generate new social capital.

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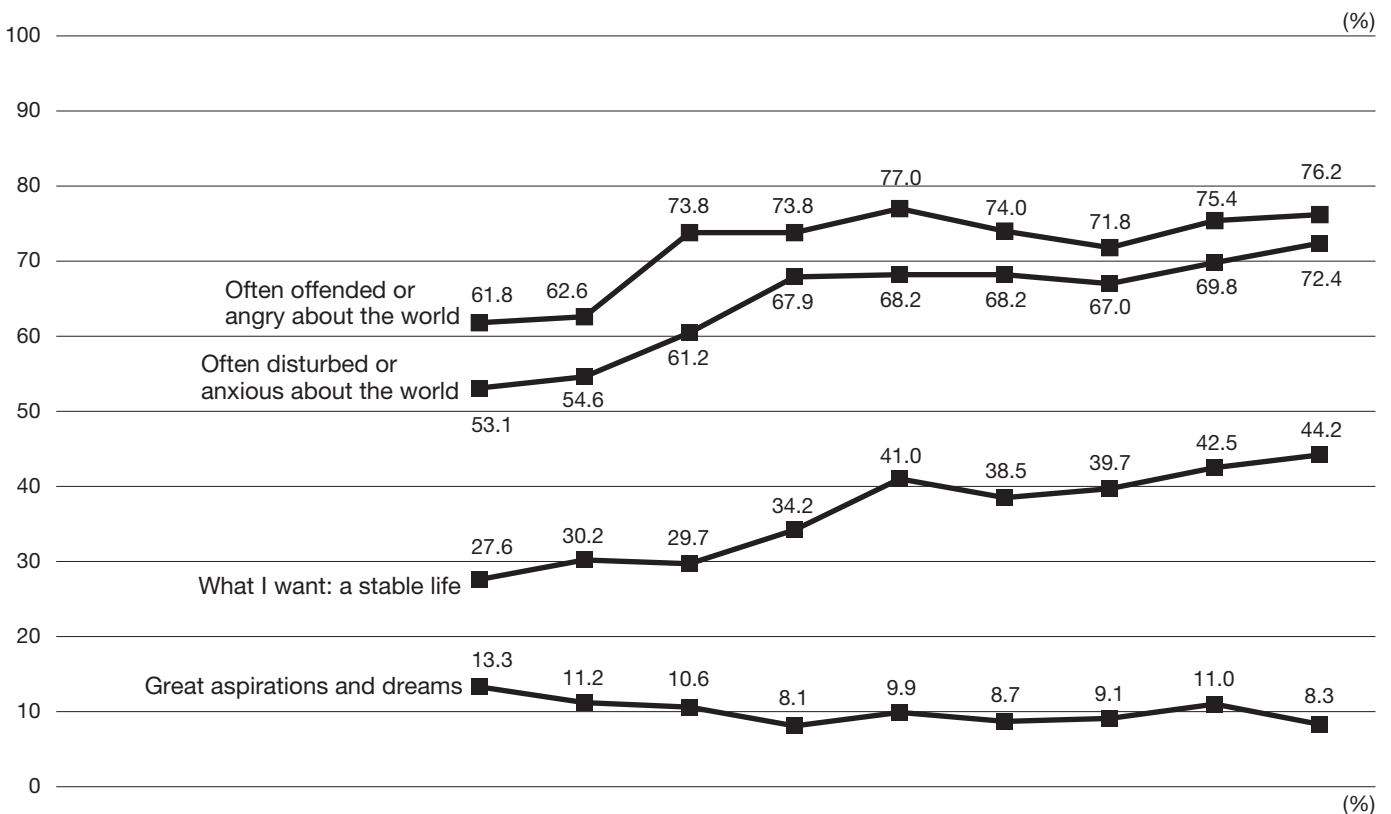
① A View of Sei-katsu-sha Trends Based on the Seikatsu Teiten Survey

Society shudders and the foundations of lifestyles tremble. Spurred by anxieties concerning Japan’s future, sei-katsu-sha want to stabilize their lives through secure employment and stable income.

To understand how *sei-katsu-sha* lives are changing, HILL conducts the biennial benchmark *Seikatsu Teiten* survey. By observing the changes in lifestyle patterns over time, it is possible to grasp how *sei-katsu-sha* have changed from past to present and how they aspire to live their lives. As we enter the “Third Stage of Contentment,” we see a growing awareness of life’s unpredictability and a rise in sadness and anger toward society. This joins a building desire to somehow achieve stability in daily life. These increases in the period from 1992 to the present, HILL believes, are what will spur social renovation led by *sei-katsu-sha*.

Sei-katsu-sha Emotions

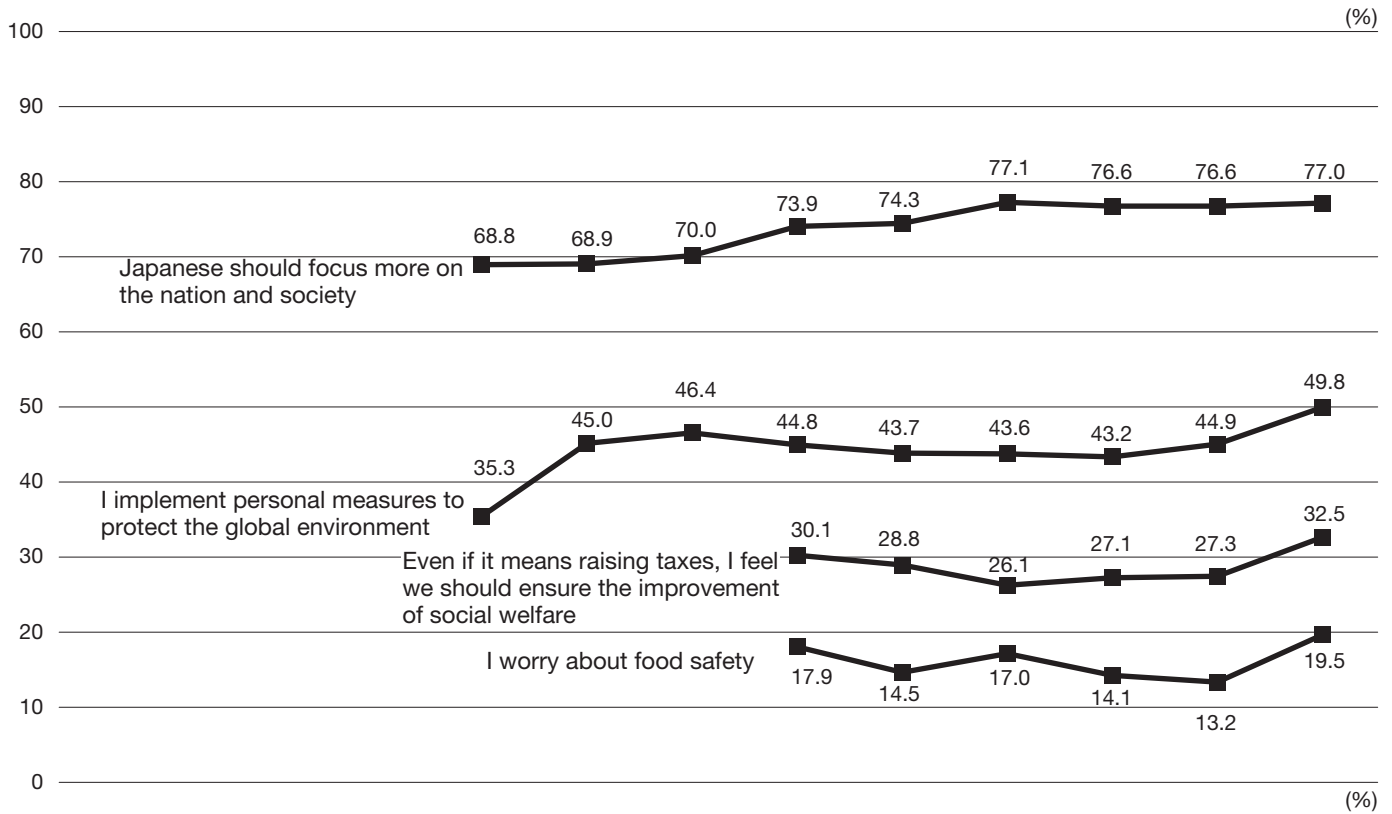
Sei-katsu-sha cannot stop worrying about or feeling angry with the world. The number of respondents who are “often anxious about the world” grew from 53.1% in 1992 to 72.4% in 2008. With an uncertain future, people hope for greater stability. Replies stating what I want: “a stable life” jumped from 27.6% in 1992 to 44.2% in 2008—the highest ever.



	1992	1994	1996	1998	2000	2002	2004	2006	2008
Often offended or angry about the world	61.8	62.6	73.8	73.8	77.0	74.0	71.8	75.4	76.2
Often disturbed or anxious about the world	53.1	54.6	61.2	67.9	68.2	68.2	67.0	69.8	72.4
What I want: a stable life	27.6	30.2	29.7	34.2	41.0	38.5	39.7	42.5	44.2
Great aspirations and dreams	13.3	11.2	10.6	8.1	9.9	8.7	9.1	11.0	8.3

The Response of *Sei-katsu-sha* to Society

There is a sense of crisis with regard to the basics of life—the global environment, taxes and food safety. New highs were reached in 2008, with 32.5% claiming that “even if it means raising taxes, I feel we should ensure the improvement of social welfare,” 49.8% responding that they “act with consideration of the global environment” and 19.5% stated that “I worry about food safety.” On an upward trend is the reply, “Japanese should focus more on the nation and society,” rising from 68.8% in 1992 to 77.0% in 2008.



	1992	1994	1996	1998	2000	2002	2004	2006	2008
Japanese should focus more on the nation and society	68.8	68.9	70.0	73.9	74.3	77.1	76.6	76.6	77.0
I implement personal measures to protect the global environment	35.3	45.0	46.4	44.8	43.7	43.6	43.2	44.9	49.8
Even if it means raising taxes, I feel we should ensure the improvement of social welfare	—	—	—	30.1	28.8	26.1	27.1	27.3	32.5
I worry about food safety	—	—	—	17.9	14.5	17.0	14.1	13.2	19.5

② Peering Deep into the Anxieties of *Sei-katsu-sha* Using the Free Association Mapping Survey

The top three issues associated with “my worries” are “health,” “pension availability” and “old age.” This is an era when even the younger generations worry about life after retirement. Concerns are growing regarding social systems.

To further comprehend in real terms the content of the worries of *sei-katsu-sha*, HILL conducted a free association mapping survey where respondents freely placed words indicating their anxieties in hierarchical proximity to the phrase “my worries,” which was positioned at the center of the survey form. Results show that the top three words associated with “my worries” are “health” (33.1%), “pension availability” (30.3%) and “old age” (29.2%). These words were selected not only by the elderly; representatives of younger generations also frequently responded in kind. We can thus conclude that worries about health, pension availability and old age are felt irrespective of generation (see Reference 2). Taken together with “food safety,” “global warming,” “poor economy” and other issues, what emerges is a state of mounting anxiety about society that is beyond the abilities of individual efforts or resources to address.

Occurrence Ranking of “Worry”-Associated Words for Respondents Ranging from 15 to 69 Years of Age

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Health	345	33.1
2	Pension availability ¹	315	30.3
3	Old age	304	29.2
4	Future	298	28.6
5	Disease	276	26.5
6	Job	269	25.8
7	Money	259	24.9
8	Children ²	195	18.7
9	Marriage	113	10.9
10	Family	111	10.7
11	Food safety	101	9.7
	Lifestyle	101	9.7
13	Earthquake	97	9.3
14	Nursing care	94	9.0
15	Hospital	92	8.8
16	Financial savings	87	8.4
17	Global warming	86	8.3
18	Human relations	84	8.1
	Career	84	8.1
20	Poor economy ³	83	8.0

Notes

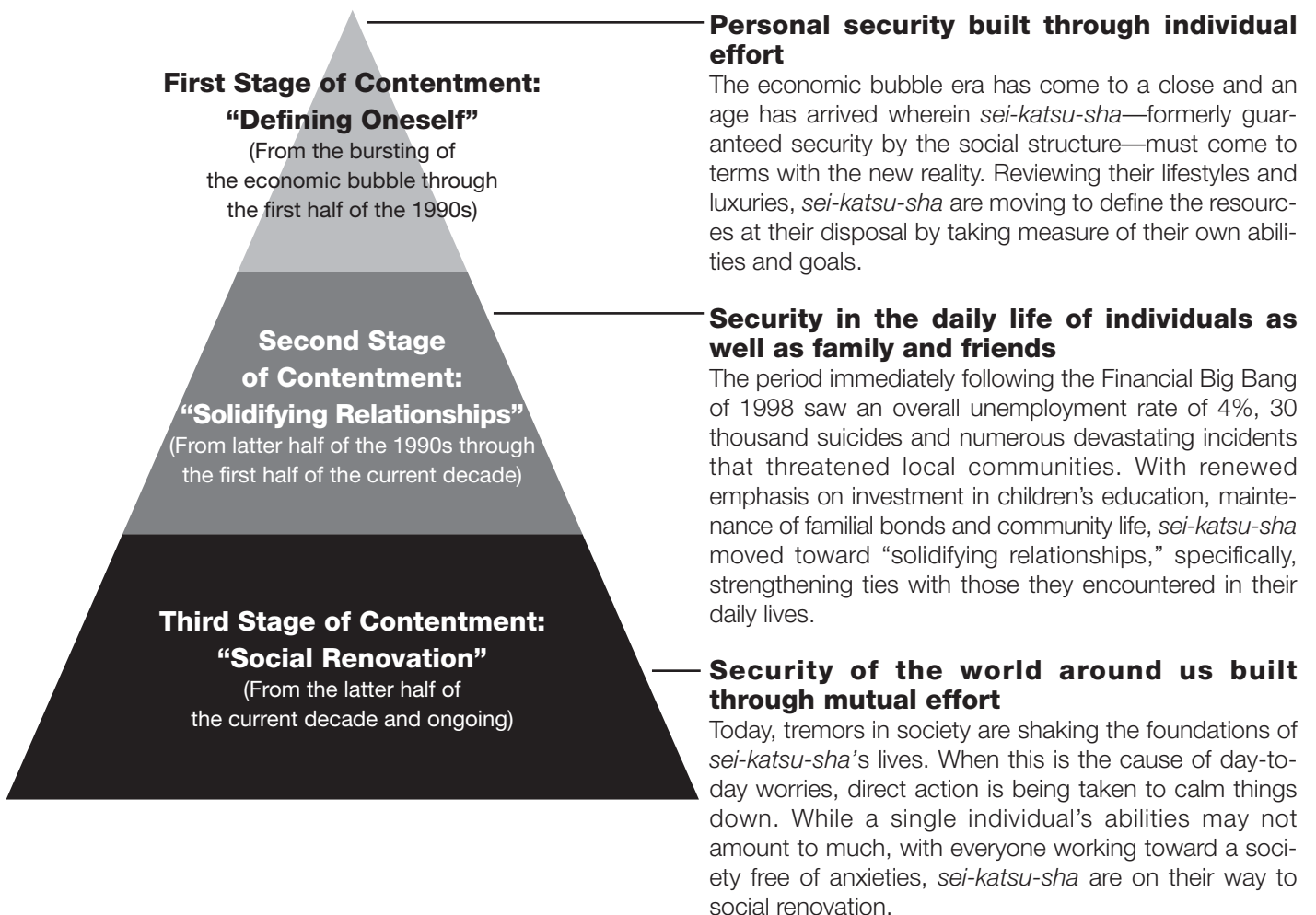
1. Pension availability responses refer to pension and pension problems
2. Children refers to children and their future
3. Poor economy refers to poor economic and business conditions

“The Third Stage of Contentment”—Leading to Peace of Mind across Society through Efforts by All; *Sei-katsu-sha* Take up the Challenge of “Social Renovation”

The rise in anxieties, HILL predicts, will promote social renovation led by *sei-katsu-sha*. The “First Stage of Contentment” was of increasing personal security following the bursting of the economic bubble. The “Second Stage of Contentment” was of solidifying familial and community relations and began in the latter half of the 1990s, enabling survival through turbulent times. Following this, from the latter half of the current decade, the foundations of society—from food safety, law and order, education, the global economy and the global environment—are feeling the beginnings of a shakeup from the ground up.

Now, peace of mind is not merely a matter of creating security around oneself alone.

Given the above, *sei-katsu-sha* are collectively taking it upon themselves to assuage the turmoil besetting society. “Social renovation” is beginning wherein *sei-katsu-sha*, on their own and to the extent of their individual abilities, are working to renovate society in ways that help alleviate their anxiety. This is what we have called the “Third Stage of Contentment.”



The *Sei-katsu-sha* Approach to Achieving the Third Stage of Contentment

Two models have emerged, HILL believes, as *sei-katsu-sha* take a concrete approach to developing the Third Stage of Contentment.

1. Aggregate Momentum Model

Rather than placing a huge burden on each individual, the cumulative efforts or actions of individuals drawing on their underutilized potential combine to create the momentum that works to renovate society. Social renovation is moving forward with the theme of highly consensual “good citizenship” and “justice.”

2. Active Participant Model

In this model, *sei-katsu-sha* who had previously been passive beneficiaries of society assume new roles as providers for others. This shift enables new perspectives and experience that work toward a more civil society. By becoming providers involved in community and volunteer activities, *sei-katsu-sha* are helping to clarify core societal problems and generating constructive proposals.

The Future Society That Will Emerge in the Third Stage of Contentment—The C to B Perspective Required by Companies in the Era of Social Renovation

Social renovation has already begun. It is being driven by the intentions and actions of *sei-katsu-sha*. It encompasses such disparate efforts as those to promote the greening of community areas, the operation of libraries by private citizens and the purchase of products that contribute to society (see Reference 3).

This era of social renovation is an age of “everyone producing together and everyone consuming together.” The traditional balance of relationships, namely, between providers and recipients, is changing, as are traditional stereotypes. In such an age, companies are being called upon to be more than simple providers—they are expected to be partners working collaboratively with the *sei-katsu-sha* who implement social renovation.

In industry as well, companies (business) will be expected to systemize such resources as the knowledge, efforts and private funding invested by *sei-katsu-sha* (consumers) to produce new social capital. This will in effect be a shift to a “C to B perspective.”

Sei-katsu-sha participate in projects drafted by companies; businesses act as patrons of *sei-katsu-sha* plans; and a greater degree of social renovation is achieved by companies linking distinct *sei-katsu-sha*-initiated movements. These and other efforts can generate new sites for interaction and bonds between companies and *sei-katsu-sha*.

Reference 1: Survey Design

SEIKATSU TEITEN SURVEY OVERVIEW

- **Period:** Every other May
- **Area:** 40 km radius, Greater Tokyo area (Tokyo, Saitama, Chiba, Kanagawa and Ibaraki); 30 km radius, Hanshin area (Osaka, Kyoto, Hyogo and Nara)
- **Objective:** To quantify changes in lifestyle by asking questions essentially the same as those that have been asked in the *Seikatsu Teiten* survey since 1986, focusing on respondents meeting the same conditions used in previous surveys
- **Method:** Survey forms distributed to individual homes
- **Target population:** Males and females from 20 to 69 years old
- **Sample numbers (valid responses):**
- | | 1992 | 1994 | 1996 | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 1,976 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 3,105 | 3,293 | 3,371 |
- **Sampling:** Size sampling is based on the population composition ratio revealed by the 2005 Japanese national census, with the sample allocated so that each five-year age-group would consist of either males or females. Area sampling is based on a chart showing the number of households per city block for a particular area in which samples were extracted from geographical points based on units of around 10 people.
- **Design and analysis:** Hakuodo Institute of Life and Living, Hakuodo Inc.
- **Implementation and tabulation of results:** Tokyo Survey Research Inc.
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FREE ASSOCIATION MAPPING SURVEY

- **Period:** October 2008
- **Objective:** To understand what comprises the worries of *sei-katsu-sha*
- **Method:** Self-completed survey conducted over the Internet
- Response Process**
Respondents were asked to place words indicating their anxieties in hierarchical proximity to the phrase “my worries,” which was positioned at the center of the survey form. If they wished to indicate further associations, respondents were asked to add the new words and draw lines to connect the associated terms. Respondents could write in any sequence and no time limit was imposed.
- **Target population:** 1,041 males and females aged 15 to 69 from across Japan
- **Sample numbers (valid responses):**
- | | 15-19 | 20s | 30s | 40s | 50s | 60s |
|----------------|-------|-----|-----|-----|-----|-----|
| Males | 55 | 104 | 105 | 103 | 103 | 51 |
| Females | 53 | 103 | 103 | 104 | 105 | 52 |
- **Design and analysis:** Hakuodo Institute of Life and Living, Hakuodo Inc.
- **Implementation and tabulation of results:** MACROMILL, INC.

Reference 2: Free Association Mapping Survey Tabulated by Age Segment

Worries of Teenagers

Teenagers worry about their “future” and “career,” words which represent the beginning of social disparity.

Male Teenagers

Words associated with worries characteristic of this age-group in contrast with others

Studies, University, Employment, Friendly relations, Part time jobs, Quarrels, Entrance exams

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Future	19	34.5
2	Money	16	29.1
3	Employment	15	27.3
4	Studies	11	20.0
5	Human relations	9	16.4
6	China	8	14.5
	Friendly relations	8	14.5
8	Part time jobs	7	12.7
	Test taking	7	12.7
	University	7	12.7

Female Teenagers

Words associated with worries characteristic of this age-group in contrast with others

Studies, Human relations, University, School, Career plans, Club activities

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Future	31	58.5
2	Studies	19	35.8
3	Human relations	17	32.1
4	Employment	16	30.2
5	Money	13	24.5
6	School	11	20.8
7	Career plans	9	17.0
	University	9	17.0
	Dreams	9	17.0
10	Test taking	8	15.1

Worries of Those in Their 20s

Worries about the “future,” namely, “pension availability” and “old age,” gnaw at the consciousness of young adults.

Males in Their 20s

Words associated with worries characteristic of this age-group in contrast with others

Marriage, Salary, Girlfriend, Research

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Future	48	46.2
2	Job	40	38.5
3	Health	34	32.7
4	Money	32	30.8
5	Marriage	28	26.9
6	Pension availability	20	19.2
7	Disease	19	18.3
8	Old age	14	13.5
9	Family	12	11.5
	Children	12	11.5

Females in Their 20s

Words associated with worries characteristic of this age-group in contrast with others

Financial savings, Diet, Charm, Cooking, Housework

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Future	42	40.8
2	Money	39	37.9
3	Job	37	35.9
4	Marriage	27	26.2
5	Financial savings	23	22.3
6	Disease	22	21.4
7	Health	20	19.4
8	Family	18	17.5
9	Pension availability	17	16.5
	Old age	17	16.5

Worries of Those in Their 30s

Veterans of the “employment ice age,” a decade back when jobs were scarce, are seeing their worries shifting to issues concerning their children.

Males in Their 30s

Words associated with worries characteristic of this age-group in contrast with others

Food product false labeling, Sub-prime crisis, Reduced income, Fraud, Father

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Job	37	35.2
2	Money	32	30.5
3	Future	31	29.5
4	Disease	30	28.6
5	Health	29	27.6
6	Pension availability	24	22.9
	Old age	24	22.9
8	Marriage	14	13.3
	Children	14	13.3
10	Stock price crash	10	9.5

Females in Their 30s

Words associated with worries characteristic of this age-group in contrast with others

Children, Loans, Hopes for the future, Nursery school, Skin conditions

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Future	39	37.9
2	Money	30	29.1
	Old age	30	29.1
4	Disease	28	27.2
5	Children	27	26.2
6	Health	26	25.2
7	Job	25	24.3
8	Pension availability	23	22.3
9	Parents	14	13.6
10	Marriage	13	12.6

Worries of Those in Their 40s

Old age is a looming concern of those in their 40s.

Males in Their 40s

Words associated with worries characteristic of this age-group in contrast with others

Challenge, Solitary death, No income, Non-payment problems

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Health	44	42.7
2	Pension availability	40	38.8
3	Job	39	37.9
4	Old age	38	36.9
5	Disease	29	28.2
6	Future	25	24.3
7	Money	19	18.4
8	Nursing care	12	11.7
	Lifestyle	12	11.7
10	Children	11	10.7

Females in Their 40s

Words associated with worries characteristic of this age-group in contrast with others

Parents, Housewife, Expenses, Food costs, Sheltered lifestyle

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Health	47	45.2
2	Old age	43	41.3
3	Pension availability	29	27.9
4	Future	28	26.9
5	Disease	26	25.0
6	Job	22	21.2
7	Money	20	19.2
8	Parents	18	17.3
9	Nursing care	17	16.3
	Children	17	16.3

Worries of Those in Their 50s

Males in their 50s worry about the collapse of what they have built. Females in their 50s feel compelled to aspire to independence and are fighting the effects of aging on their appearance.

Males in their 50s

Words associated with worries characteristic of this age-group in contrast with others

Old age, Disease, Household chores, Health insurance, Retirement life

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Disease	46	44.7
2	Old age	43	41.7
3	Health	39	37.9
	Pension availability	39	37.9
5	Job	26	25.2
6	Earthquakes	16	15.5
7	Family	13	12.6
8	Money	11	10.7
	Accident	11	10.7
	Future	11	10.7

Females in their 50s

Words associated with worries characteristic of this age-group in contrast with others

Old age, Dementia, Self-reliance, Farsightedness, Wrinkles

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Old age	56	53.3
2	Health	48	45.7
3	Pension availability	39	37.1
4	Disease	32	30.5
5	Money	26	24.8
6	Job	23	21.9
7	Nursing care	17	16.2
8	Lifestyle	16	15.2
9	Children	15	14.3
	Earthquakes	15	14.3

Worries of those in their 60s

Despite having time after retirement, people in their 60s worry about money.

Males in their 60s

Words associated with worries characteristic of this age-group in contrast with others

Being bedridden, Marriage of children, Dementia, Medical tests, Decline of assets, Diabetes, Robbery

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Health	22	43.1
2	Old age	18	35.3
3	Pension availability	17	33.3
4	Disease	16	31.4
5	Money	8	15.7
	Job	8	15.7
7	Lifestyle	7	13.7
	Earthquakes	7	13.7
9	Medical tests	6	11.8
	Being bedridden	6	11.8

Females in their 60s

Words associated with worries characteristic of this age-group in contrast with others

Health, Being bedridden, Marriage of children, Stocks, Aging, Grandchildren, Sons

Ranking	Keyword	No. of Occurrences	Ratio (%)
1	Health	27	51.9
2	Disease	19	36.5
3	Old age	18	34.6
4	Pension availability	16	30.8
5	Money	13	25.0
6	Future	12	23.1
7	Children	9	17.3
	Hospital	9	17.3
9	Family	7	13.5
	Nursing care	7	13.5

Reference 3: Action for *Sei-katsu-sha*-Initiated Social Renovation

■ Renovation of Resource Usage

By the end of 2012, the production of incandescent lightbulbs will have been phased out in favor of low CO₂ emitting fluorescent lightbulbs. In addition, as moss does not require soil, it will likely become increasingly utilized for rooftop greening for cottage-style homes. Furthermore, from April 2009, a system will be introduced to Japan whereby the volume of CO₂ emitted through the manufacture, packaging, delivery and disposal of food products and other consumer items will be stated on product labels. By choosing products based on their carbon footprint, *sei-katsu-sha* will begin to influence the development of new global rules.

■ Renovation of Culture

A restoration of harmony is taking place through greater integration with nature and is leading to enriched lifestyles. For example, efforts of local citizens include the preservation of *satoyama* woodlands, the marginal areas surrounding farms, implementation of water sprinkling campaigns to reduce ambient heat from street surfaces and the promotion of local production for local consumption, which, in turn, is resulting in a more traditional Japanese diet. Libraries financed through private donations and the science museums where students volunteer their services as guides are emblematic of *sei-katsu-sha* taking the lead to improve public institutions. ICT (Information and Communication Technologies) are further facilitating *sei-katsu-sha*-initiated movements.

■ Renovation of Production

The desire of *sei-katsu-sha* who wish to trace production and distribution, as evidenced by the booming popularity of factory tours, has engendered transparency in the production process. A result of this has been the emergence of such items as “fresh-from-the-sea” marine products, which will likely spur a change in the way many products are distributed. Many *sei-katsu-sha* support cause marketing, that is, the promotion of products that advocate a social philosophy or cause. Products that “contribute something to improving the lives of local people” certainly nurture peace of mind.

■ Renovation of Education

With scholastic support provided by local citizens and the online learning community, we are entering an era of multidimensional learning. Increasingly, the outdoors has been turned into a venue for education. This includes “learning landscapes” where farmers’ fields and ponds are transformed into venues for hands-on learning for children, such as educational farms and biotopes.

■ Renovation of Public Spaces

The number of new spaces where people can get together that are not facilities provided by governments or companies is increasing. More and more, public spaces are being fully utilized primarily through the efforts of *sei-katsu-sha*. In addition, a system has emerged recently in which volunteers can earn activity achievement points that can be used as a locality-specific currency, for example, in paying nursing care insurance fees. Such developments reassure people by providing new citizens’ markets of services. Furthermore, HILL predicts movements that organize people at places such as “science cafes,” “philosophy cafes” and other types of workshops will significantly bolster the foundations of society.

■ Renovation of Quality Assessments

There appears to be a movement toward employees assessing to what extent they have achieved reduction of greenhouse gases against profits.

At universities in Japan, a reappraisal of liberal arts educations is under way. *Sei-katsu-sha* are returning to the idea that not only knowledge, but experienced-based wisdom is essential in their daily lives. Libraries and civic centers are increasingly being outsourced owing to the introduction of the designated manager’s system. HILL believes that this will result in free and lively discussions where all participants proactively address problems and citizens themselves promote solutions.

■ Renovation of Life

The *Kurumin* Mark is a sign of certification granted in accordance with the Law for Measures to Support the Development of the Next Generation. More and more businesses aid in the nurturing of children through efforts that involve both workplaces and company management. It is becoming more common to find parents working at *Kurumin*-certified companies that allow both parents to be involved in childcare as a “*Kurumin* family.” In another area, an increasing number of people have prepared living wills expressing their desire to eschew extraordinary measures that simply prolong basic life functions. This represents a reexamination of the meaning of life that is becoming more common in an aging society. Reflecting heightened worries about the quality of medical care, there are an increasing number of examples of patients exchanging information over the Internet. HILL believes that patient-generated media, modeled after other consumer-generated media, will change the system that nurtures life while securing quality of life for people approaching the end their lives.