Case

Kirin USA, Inc.: Ichiban Shibori

By Robert J. Thomas



1. Before beginning any case, students should familiarize themselves with the model being used. Marketing Engineering for Excel comes with tutorials that demonstrate the capability of each model. The tutorial can be found under each model within the ME►XL menu after starting Excel. These tutorials are designed to work with our OfficeStar examples which are located in the My Marketing Engineering directory, usually installed in My Documents during software installation.
2. The data required for this case is located in the **My Marketing Engineering** directory (usually located within My Documents). There are three data files used for this case:

   Kirin Data (Segmentation).xls
   Kirin Data (Conjoint).xls
   Kirin Data (Positioning).xls

Introduction

The meeting lasted three hours. Members of the Kirin new product development team, marketing consultants, and two executives from the advertising agency met at the Kirin USA offices in New York City to review marketing research findings and decide next steps for the new product project. The pressure to launch a new product was mounting, although it was not yet a crisis situation.

The Kirin team included Mr. Kazuhiro "Zack" Tsukahara, Vice President of Marketing for Kirin USA, Inc. and Mr. Yutaka Ogawa from the Product Management Department of Kirin Brewery Company Limited. Mr. Ogawa led the technical formulation of the new product. The intent was to formulate a new beer product that would be based on Kirin's successful formulation of "Ichiban Shibori," a new beer that had received enthusiastic reception in Japan. The objective was to identify an opportunity in the U.S. import beer market so that the team could design a new product and marketing program around the Ichiban Shibori formulation, including changing product ingredients if necessary.

One issue was to identify potential market segments that defined the market for imported beers. The team would then have to decide upon one or more of these segments and build a new product concept to meet the needs of the segment. The discussion surfaced several suggestions, including concentrating on a narrow segment of heavy users, positioning the new product for one or two attractive segments, or positioning it across all

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segments to reach the broadest possible market and sales response. However no clear consensus appeared to emerge at the meeting. It was February 1991 and there was a sense of urgency about the decision. Tsukahara observed:

> It seems that we have many different new product concepts floating around the room. We can't afford to launch three different brands—only one. Unlike Heineken or Molson, we have a small marketing budget. We will have to decide on the new concept soon. Competitors will not wait for us when their next new product is ready to launch.

Background

Kirin Brewery Limited, founded in Yokohama, Japan over 100 years ago was the largest beer firm in Japan, and fourth largest in the world. Although Kirin diversified into food, liquor, and even biotechnology, its performance relied largely on its market position in beer. In 1990 its market share was almost 50% in Japan, nearly twice its nearest competitor, Asahi. Sapporo was the third largest brewer in Japan, followed by Suntory. Kirin's lager beer was the dominant market leader, however the growing importance of draft beers allowed competitors to make substantial inroads into Kirin's market position.

Perhaps more importantly, the 1987 market entry of Asahi's Super Dry beer in Japan shook the entire market. Asahi formulated the dry concept as a beer that was less sweet and sharper than traditional beer, with a slightly higher alcoholic content (about 5%). With an uncharacteristically heavy marketing budget targeted to heavy beer drinkers, Asahi launched the new beer and achieved favorable market acceptance and dramatic sales and market share increases.

Asahi's success energized Kirin into a broad strategic response. Kirin launched its own dry beer, restructured its product line, increased promotion and advertising (featuring actor Gene Hackman), expanded the sales force, and cut price in an otherwise price-stable beer market. This triggered a dry beer marketing war in Japan. Although Kirin successfully met Asahi's new entry, overall Asahi was able to move from the number three brewer in Japan to number two (surpassing Sapporo) on the basis of its dry beer marketing success.

In order to counter any continued success of Asahi that would further threaten its market share, Kirin carefully researched and launched in early 1990 a new beer, Ichiban Shibori. Using innovative production technologies (higher temperatures, different yeast formulations, high-quality ingredients), Ichiban Shibori was described by consumer taste panels as a full-bodied beer with no aftertaste. Every sales response in 1990 was tremendous in the Japanese market. Kirin was very proud of this success and immediately began to explore opportunities outside of Japan. Interest in the U.S. market was substantial because of its high proportion of import beer sales and because Kirin was number two behind Sapporo.

Kirin USA, Inc.

Kirin USA, Inc. began operations in the U.S. in 1983. Although the U.S. beer market consumed some 184 million barrels of beer during 1983, only 3% was imported. Kirin's primary strategy in entering the U.S. market was to meet the demand of a growing number of Japanese business people within the U.S. Initially Kirin USA marketed its Lager to Japanese restaurants, selling some 600,000 cases during 1983. Outside of Japanese restaurants, Kirin had little brand awareness.

By 1987, the U.S. beer market had grown little (187 million barrels), but the share of imports grew from 3% to 5%. Sensing a growing opportunity in

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import sales, Kirin USA signed agreements with Molson USA and Martlet (a beer distributor) to broaden its marketing and distribution into non-Japanese restaurants, bars, night clubs, and through retail grocery and liquor stores.[2] Although it now had distribution in major U.S. markets, the largest proportion of its 1987 sales came from the greater New York metropolitan area and California, especially Los Angeles.

Because the total volume of Kirin's U.S. beer sales could not support a major mass media advertising campaign, selected ads were placed in the New York and Los Angeles markets (usually print media with occasional radio spots). Kirin sponsored before and after advertising recall tests in these cities for their 1989 media campaign. It discovered that at the level of advertising that they could afford, they were making little impact on Kirin's brand awareness. Kirin's promotional strategy therefore relied primarily on sales force and promotional efforts to restaurants and retail outlets. The sales force could "merchandise" the print ads to their retail customers, but consumers did not appear to be significantly affected by them.[3] At retail, Kirin's Lager was priced competitively with other imports (about $5.49 per six pack of 12 ounce bottles).

As the beer sales leader in Japan, it was important for Kirin USA to be the sales leader among Japanese beers in the U.S. Strategically, it was not pleasant for Kirin to be number two in the U.S. while they were number one in Japan. It allowed Sapporo to claim that they were the number one Japanese beer in the U.S. – a claim communicated to those Japanese consumers who were sensitive to American customs. By 1990, Sapporo sold about 1.2 million cases to Kirin's one million in the U.S.

By 1990, the market growth among Japanese business people and Japanese restaurants had slowed, although gains among American beer drinkers were being realized. The successful introduction of Ichiban Shibori to Japan in early 1990 prompted Kirin USA to consider launching it into the U.S. import beer market to gain a competitive advantage over Sapporo. The question was whether a beer that was rated by Japanese consumers as full bodied with no aftertaste would appeal to American beer drinker tastes.

U.S. Import Beer Market

As noted above, the import beer market in the U.S. was growing during the late 1980s. Of the more than 20 brands of imported beer in the U.S., Heineken, Molson, and Corona were the top three imports. Heineken, which claimed just over 20% of the import beer market (about 1% of total beer volume), spent about $10 million in advertising to achieve this share, an amount equivalent to the smallest of domestic brands. To put this amount into perspective, with four six packs to a case, Kirin total sales at retail price in 1990 were $23.56 million ($5.49 x 4 million). With an industry average gross margin of $2 per case, it was easy to see how a small brand like Kirin would have a difficult time competing with a brand like Heineken.

In 1990, U.S. import beer drinkers tended to earn more income than domestic beer drinkers do. Some 40% of import beer drinkers earned over $50,000 (compared to about 25% of domestic beer drinkers who earned that much). They were also upscale in education, with 55% of import beer drinkers attending or graduating from college, compared to 40% of domestic drinkers. Although slightly more import beer drinkers were employed full time (70%), almost 30% were employed as managers or professionals compared to fewer than 20% for domestic drinkers. Import beer drinkers were also slightly younger than domestic beer drinkers, with over 75% under the age of 45.

As often the case in the beer market, a smaller proportion of buyers (about 20%) consumed a disproportionate share of import beer (about 80%). Similar

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to domestic beer drinkers, some two-thirds of import drinkers were male and one-third was single. Almost half of all import beer drinkers were located on the West Coast (California) and the East Coast (New York)—about evenly distributed.

The significance of the import beer drinker profile was its correspondence demographically to the so-called “baby boomer” generation, born between 1945 and 1970. Analysis of demographics of this age group showed it to be disproportionally larger than any previous and subsequent generational groups. Significantly high family formation after World War II propelled the large size of this group, and other socioeconomic factors (such as enhanced educational opportunities, increasing disposable income, and increased television communication) gave them considerable purchasing power. Increased purchasing power resulted in consumers willing to be more discriminating in their tastes to satisfy more specific needs.

Beer Purchase Behavior

Why people bought and consumed beer depended on a host of factors. Some bought it to socialize with friends and family, some bought it for its taste as a beverage to complement certain foods, some bought it to mellow out and forget worries after a hard day's work, or some bought it to simply get high and have fun. Or, there could be other personal reasons for consumption (health, family or cultural habits, and so on).

On a practical level, many industry analysts believed buyer behavior for beer depended on brand image and price. Although retail prices for import beer tended to be the same, if a drinker found a preferred brand on sales, he or she would respond very favorably. For some consumers, if a comparable quality import brand were put on sale, they might temporarily switch from favorite brands to take advantage of the value.

Although taste was considered important by some, others argue that it was really the perception of taste that mattered. Blind taste tests of beer products repeatedly showed that consumers had a difficult time identifying their own brand, not to mention other brands. However, when the brands were identified, consumers imputed taste quality differences to the beers. This was largely explained by the fact that for most consumers, taste was among the least discriminatory of physical senses. Sight, sound, smell, and touch were believed to be more sensitive than taste, and therefore often helped to define taste. Thus a brand's imagery may be more important than its physical characteristics (at least within a reasonable taste range).

With taste differences hard to discern, and price highly competitive within category (except for promotional deals), beer companies often tried to compete on advertising to create a distinct and favorable brand image to which consumers would positively respond. For example, Miller Lite's early ad campaign – "Great taste, less filling" – positioned the brand as one that offered significantly fewer calories and bloat, with the same level of taste as regular beer, to an increasingly older and girth conscious target market. By using aging professional athletes in the ads, Miller was able to link its target segment's aging sports heroes to the brand and create a favorable association that reinforced the brand image. Because beer sales success depended on repeat purchases, Miller employed a large advertising budget to remind its target consumers of the beer and keep the Miller Lite name and its meaning before them.

To the extent that they could afford to do so, import beers followed similar practices. Heineken and Molson spent significant sums on advertising to create and keep their positioning in the mind of their target consumers. Other import beers chanced upon fads and word-of-mouth to establish a reasonable

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presence in the market. Mexico's Corona beer first became popular with college students in California, then spread to other markets. However, since 1987 sales had leveled.

Many imports – St. Pauli Girl, Tecate, Guinness, Moosehead, Dos Equis – appealed to consumers in niche markets who would rather see their brand kept with a low profile and their own special "find." If a small group of consumers had a particular image or appeal for a certain brand, they supported it with fanatical loyalty. However, if the brand seemed to lose its exclusivity through mass advertising, the niche market could abandon it rather quickly. This always proved difficult for import beer marketers who could not afford to lose their loyal following, but desired to grow their business.

Consequently, throughout the 1980s, the aging of baby boomers provided a solid social, economic, and demographic base for import beer consumption. As this base grew, so too did the number of import brands entering the U.S. market, each of which tried to garner its own market niche.

Kirin USA's New Product Development

Launching a new beer into the crowded U.S. import market was not viewed as an easy task by Kirin USA's management. Yet it was seen as the best way to achieve their growth goals without jeopardizing their existing customer base. To surpass Sapporo in the U.S. by 1993 Kirin managers believed they needed to sell an additional 300–400,000 cases of beer each year from their current one million case volume. This also had to factor in any possible losses due to cannibalization of existing Kirin products. Kirin had Lager, Light, Draft, and Dry products on the market.

Among its major questions, the new product team was most concerned with identifying the U.S. import beer segments that would respond most favorably to a new Kirin product concept. Because buyer behavior for beer relied on image, they needed to know what product concept or imagery should be developed and, more specifically, what product features defining the concept would obtain a favorable market response.

The team also wanted to know who the potential consumers in each segment were and what were their needs, lifestyles, attitudes, media usage habits, and demographics. To provide the necessary information and decision support for addressing the major market issues, Mr. Kazuhiro hired your consulting firm to design and conduct a market study.

Marketing Research and Analysis for the New Product

The first phase of the research process was a series of exploratory focus groups to study in-depth aspects of import beer drinking. The results of the study were used to identify the major attributes of import beer that beer drinkers considered. In addition, the results were used to formulate a comprehensive questionnaire that would be delivered in two phases. The first phase was designed to gather the bulk of the data needed for the segmentation analysis, and the second phase follow-up was designed to more carefully evaluate specific product feature tradeoffs within the segments.

After pretesting the questionnaire for the first phase of the study, a data collection agency was retained to complete telephone interviews with a random sample of some 400 drinkers of imported beer.[4] The questionnaire contained questions that provided data on a variety of variables, including the attributes consumers used in deciding on import beers, the importance of these attributes, perceptions of Kirin and its competitors on these attributes, usage occasions, demographics, attitudinal characteristics, and media usage.

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Twenty-one attributes were selected from the focus group study to represent the criteria that consumers might use to decide on import beer brands. These attributes are listed in Exhibit 1. A comparison of Kirin's ratings on the 21 attributes against more popular and heavily advertised brands (Molson, Heineken, Corona) revealed that the Kirin brand name was not as well perceived as its competitors. This was expected however, since Kirin did very little national advertising compared to these major imports.

Survey respondents also rated the importance of each of these attributes on a 0 – 9 scale. The consulting company is considering whether these importance ratings could be used to identify market segments using cluster analysis.

To help describe consumers who were classified into each segment, several descriptor variables were included in the survey. Selected variables from this list are provided in Exhibit 2. They included a variety of factors that might help explain import beer consumption: demographics, consumer self-perception, and beer consumption.

Conjoint Analysis Study and Choice Simulation

The second phase of the study involved a follow-up mail survey of the entire sample. This questionnaire included a conjoint analysis data collection task, with a follow-up telephone call to obtain respondent preferences for various combinations of a new import beer. Traditional data collection for preferences usually involved importance ratings on a number of attributes treated independently. Conjoint analysis was helpful to obtain consumer preferences in terms of tradeoffs among the various attributes of beer, including its price.

Exhibit 3 illustrates the kind of choice stimuli that consumers were provided. Over the telephone they were asked to rank order their preferences for the different import beers described on the various cards. The conjoint analysis was based on seven attributes of import beer, each at three levels. The attributes and levels were chosen by the managers and consultants with reference to key new product decisions that had to be made, and are summarized in Exhibit 4.

Depending on the assumptions about consumer choice processes, conjoint data provided a more realistic interpretation of consumer preferences than traditional attribute ratings. For example, conjoint analysis assumed that consumers could compensate levels on one attribute with levels on another (e.g., a beer's origin can be compensated for with its taste). It also assumed that the total utility for a particular product defined by a combination of attributes was represented by the sum of the utilities (or part-worth utilities) for each attribute. The preference data from conjoint analysis was obtained for each individual in the sample. These results could then be used to form new segments (using cluster analysis) or to be analyzed according to existing segments.

The results of a conjoint analysis could also be used in a choice simulation to estimate market share in the context of a sales forecasting model. Because the conjoint data were collected at the individual level, one could use various models to forecast the brand that the consumer would choose. One such model assumed that an individual chose the brand with the highest utility (a utility maximization criterion). To create such a simulation, the attribute profiles of the major brand competitors were defined. The total utility for each brand was then computed from the individual's utilities, and the one with the highest utility score represented the choice. When the choices for the entire sample were counted, the share of choices for each brand could be easily determined.

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Exhibit 5 includes the attribute profiles defining seven major competitive sets of brands. The brands were organized into meaningful groups. For example, the Canadian, Mexican, and Japanese beers were defined as three groups of brands. This was done to focus more on major types of beer concepts than specific brands. Although a variety of assumptions could be employed to define the new beer concept, the major concern of managers had to do with taste. The base case product was defined as a beer with regular body and mild aftertaste, while the new product concept was defined as a beer with rich full-bodied taste with no aftertaste (see footnote c in Exhibit 5).

To make the choice simulation more realistic, a forecasting model that incorporated estimates of awareness and distribution of the various brands is necessary. The major assumptions for such a model are presented in Exhibit 6. From these assumptions, more realistic market shares can be estimated for the base case. The approximate size of the total available import market in 1990 was some 50 million cases. The impact of the new product in the market (under various marketing budget assumptions and also assuming no major competitive reaction) could then be compared with the base case.

The Key Decisions

During a break from the meeting, Tsukahara thought about his next steps. He knew he wanted to proceed cautiously, but expeditiously, to get the best new product formulation possible. He felt the results from the research would help him to develop a careful assessment of the market opportunity for the new product, as well as evaluate alternative new product concepts for the beer. However, key decisions were yet to be made, including which segment or segments to choose, what concepts would be appropriate for segments, and what marketing budgets should be employed. The meeting did not seem to be making progress on the key decisions.

Clearly, he had many different segments from which to choose. He respected the discussion from the consultants and agency people about the attractiveness of alternate segments and wondered whether the segments should be considered as one or whether he should choose one of them. He also wondered if any of the segments not selected contained overlooked opportunities, or whether more directly, Kirin should really go after the total import beer market.

However, as he thought about the decisions, he realized that the segment selection decision was also linked to what concept might do best in each segment. He knew the importance of defining a clear and communicable core product concept for a new product that would meet the needs of one or more segments, yet offer a competitive advantage. This core concept would be the primary positioning for the new beer. He also wondered if the beer should retain its Japanese heritage and current name of Ichiban Shibori (which translated roughly to "first squeeze" in the brewing process) as part of its core concept, or whether an entirely new name should be developed for it. While Japanese cars and electronic products were well received in America, the acceptance of a beer was not as clear.

There were numerous other new product decisions to be made, including bottle shape, labeling, packaging, pricing, distribution, and other key marketing decisions. However, he felt that if he were going to launch a new product, he wanted to make sure there was a clear opportunity for a new product concept before proceeding. He knew he faced intense competition in the U.S. import beer market, and a new product was seen by corporate Kirin as an important strategic opportunity to regain the leadership among import Japanese beers. Kirin USA was close to catching Sapporo in the U.S. and hoped this new product would achieve the desired results. Consequently, determining the core concept was an important decision.

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After the break in the meeting, he brought everyone together and told them he was very appreciative of the information and ideas. He explained that he believed his team had enough information on which to base their key decisions, but would call them if any additional analyses were necessary. As he flew back to his Los Angeles office, headquarters for the new product project, he reviewed again the research results and knew he had to work quickly with his new product team to decide what actions to take.

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[1] Robert J. Thomas prepared this case for educational purposes only. Because certain data and other aspects of this case may be disguised for purposes of confidentiality, it should not be used as a guide for desirable or undesirable business practices, nor as a basis for research. Arvind Rangaswamy extracted the data sets for using the case with Marketing Engineering.

[2] Some states allowed beer to be sold in a variety of retail outlets (grocery stores, convenience stores, drug stores, etc.) while others required that it be sold through state-controlled beverage agencies.

[3] "Merchandising the advertising" is a term often used in business-to-business marketing to describe the practice of placing a print ad in a high profile medium, then giving copies of the ad to the sales force to distribute among customers. The sales person may then use the ad to impress customers with the comment, "Have you seen our recent ad in…?"

[4] The data sets include only 317 respondents who completed both phases one and two.

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Exhibits

Dimensions	Attributes
I. Taste	• Rich full-bodied taste • A good taste • High quality beer
II. Smoothness with low aftertaste	• No aftertaste • Goes down easily • Refreshing • A light beer
III. Price	• Lower than average price • Good value for the money
IV. Prestige/Image	• Prestigious brand growing in popularity • Masculine beer • From a country with a brewing tradition • Attractive bottle and label • For young people
V. Alcohol content	• Gives you a "buzz"
VI. Social occasions	• To drink at picnics and outings • To drink at a bar • To drink with close friends • For dining out
VII. Home consumption	• To treat yourself at home after work • To serve to dinner guests at home

Exhibit 1: Attributes for Importance Ratings.

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I. Weekly consumption: Bottles/cans/glasses of imported or domestic beer consumed during the previous week.

II. Age:
1. Under 22
2. 21–24
3. 25–29
4. 30–34
5. 35–39
6. 40–45
7. 46 or over
8. Missing values replaced with 4

III. Income:
1. Less than $15K
2. $15K–$25K
3. $25K–$35K
4. $35K–$40K
5. $40K–$50K
6. $50K–$75K
7. More than $75K
8. Missing value replaced with 4

IV. Education:
1. Some high school or less
2. High school graduate
3. Some college
4. Trade school/technical school
5. College graduate
6. Post graduate
7. Missing value replaced with 4

V. The following items measured on 1–4 scale with 1 being Strongly Disagree and 4 being Strongly Agree

(a) You adapt to new situations easily
(b) You make friends easily
(c) You don't like to be tied to someone else's timetable
(d) You often like to take chances
(e) You like to travel abroad
(f) You often eat ethnic foods
(g) You consider yourself more knowledgeable about beer than average

VI. Sex
1. Male
2. Female

Exhibit 2: Descriptor Variables.



RDU

An imported beer that has the following features:

- Canadian beer
- $6.19 per pack
- A regular body and taste
- A mild aftertaste
- Regular calories (140 per 12 oz bottle)
- Four 16 oz bottles
- Green bottle with a paper label

TBI

An imported beer that has the following features:



- European beer
- $5.49 per pack
- A regular body and taste
- A very low or no aftertaste
- Regular calories (140 per 12 oz bottle)
- Six 12 oz short-neck bottles
- Brown bottle with a paper label

SRO

An imported beer that has the following features:



- Japanese beer
- $5.49 per pack
- A crisp, clear-body taste
- A very low or no aftertaste
- Full calories (165 per 12 oz bottle)
- Four 16 oz bottles
- Green bottle with a paper label



RMO

An imported beer that has the following features:

- European beer
- $4.79 per pack
- A regular body and taste
- A very low or no aftertaste
- Low calories (95 per 12 oz bottle)
- Six 12 oz long-neck bottles
- Green bottle with a paper label

TPT

An imported beer that has the following features:



- Canadian beer
- $4.79 per pack
- A crisp, clear-body taste
- A strong aftertaste
- Regular calories (140 per 12 oz bottle)
- Six 12 oz short-neck bottles
- Green bottle with a paper label

HLA

An imported beer that has the following features:



- European beer
- $5.49 per pack
- A rich, full-body taste
- A strong aftertaste
- Regular calories (140 per 12 oz bottle)
- Four 16 oz bottles
- Brown bottle with a label painted directly on the bottle

Exhibit 3: Illustrative Conjoint Stimuli.

1. ORIGIN
    a. European beer
    b. Canadian beer
    c. Japanese beer

2. PRICE
    a. $6.19 per pack
    b. $5.49 per pack
    c. $4.79 per pack

3. BODY
    a. A rich, full-body taste
    b. A regular body and taste
    c. A crisp, clear-body taste

4. AFTERTASTE
    a. A strong aftertaste
    b. A mild aftertaste
    c. A very low or no aftertaste

5. CALORIES
    a. Full calories (165 per 12 oz. bottle)
    b. Regular calories (140 per 12 oz. bottle)
    c. Low calories (95 per 12 oz. Bottle)

6. PACKAGING
    a. Six 12 oz. long-neck bottles
    b. Six 12 oz. short-neck bottles
    c. Four 16 oz. bottles

7. GLASS COLOR and LABEL TYPE
    a. Green bottle with a paper label
    b. Brown bottle with a paper label
    c. Brown bottle with label painted directly on the bottle

Exhibit 4: Attributes and Options for Conjoint Study.

Attributes	Groups of Brands						
	Heineken St. Pauli Grolsch	Beck's	Bass Guinness	Amstel Light	Molson, Labatt, Moosehead	Corona, Dos Equis, Tecate	Kirin And Sapporo
Origin	European	European	European	European	Canadian	Mexican[a]	Japanese
Price per six-pack	$5.49	$5.49	$6.19	$6.19	$5.49	$5.49	$5.49
Body	Full	Full	Full	Regular	Regular	Crisp	Regular[b]
Aftertaste	Mild	Strong	Strong	Mild	Mild	Mild	Mild[b]
Calories	Regular	Regular	Full	Low	Regular	Regular	Regular
Shape	12 oz. Short	12 oz. long	12 oz. short	12 oz. short	12-oz. short	12-oz. long	12-oz. short
Color, label	Green, paper	Green, paper	Brown, paper	Brown, paper	Green, paper	Clear, painted[c]	Brown, paper

[a] Assumed same value as Canadian for simulation.
[b] Kirin new product is simulated with rich full-bodied taste and no aftertaste.
[c] For simulation, assume same value as a brown bottle with painted label.

Exhibit 5: Profiles of Major Competitor Sets Used in Choice Simulation.

Segment	Heinken St. Pauli Grolsch	Beck's	Bass Guinness	Amstel Light	Molson Labatt Moosehead	Corona Dos Equis Tecate	Kirin and Sapporo
Awareness	1.00	.50	.30	.25	.65	.60	.20
Distribution	1.00	.80	.70	1.00	.85	1.00	.50

Note: These estimates were based on managerial judgments of relative response of the brands to advertising and distribution efforts. A value of 1.00 indicated 100% of possible distribution in the target markets was achieved.

Exhibit 6: Assumptions for Forecasting Model.

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