

Sinotrust facilitates multinational automation manufacturers to seek “potential growth points”

Sinotrust organizes seminar at *Industrial Automation Show – Shanghai Hannover Messe International GmbH* in the theme “Move ahead towards the General Trend – On How to Look for Potential Growth Points”

SHANGHAI, Nov. 4, 2009 -- Since the second half of 2008, the Chinese macro economy has fallen very substantially, featuring huge drops in industrial outputs and major setbacks in exports. Many Chinese export-oriented enterprises subsequently reduce production scales or simply close down. The machinery, petrochemical, chemical and electric sectors that supply production facilities and raw materials get into trouble as well, and are forced to narrow outputs by big margins. The domino effect spreads upstream to numerous automated equipment suppliers. Under this circumstance, it has become a top priority in this special stage for automated equipment producers to search for some industrial sectors with growth potentials and foresee market transition trends and market demand changes ahead of competitors, and find out new latent growth points. For this purpose, Sinotrust Industrial Market Research Service organized a seminar “Move ahead towards the General Trend – On How to Look for Potential Growth Points” on November 4 at the Industrial Automation Show – Shanghai 2009 of Hannover Messe International GmbH. In allusion to the above questions, Sinotrust worked with automated equipment producers to explore how to judge market changes according to industrial client needs and consequently find out new growth points under the backdrop of the financial crisis.

The seminar was presided over by Wendy Wang, Deputy General Manager of Sinotrust Industrial Market Research Services. Executives of the marketing department and strategy department of such world famous multinationals as Emerson, Schneider, Bosch, Honeywell, ABB, TYCO, Siemens, Danaher and Danfoss, participated in the seminar.

According to Wendy, China economy has taken the lead to rejuvenate in accordance with the macro economic data from National Bureau of Statistics, World Bank and Asian Development Bank. It is estimated that the Chinese economy would grow at an annual rate of 8.5% in 2009, much higher than other countries. The economic recovery in the next two years would be separated into three stages, which were investment incentives, export and consumption driven, and industrial upgrading and transformation. In the 4 trillion yuan investment package to stimulate the Chinese economy, 38% funds would be invested in the infrastructure sector, 25% in the reconstruction of disaster areas, 10% in housing projects, 9% in rural construction, 9% in industrial upgrading, 5% in environment protection, and 4% in medical service and education. Because of the injection of the 4 trillion yuan investment, fixed assets investment in the electric, mining and infrastructure sectors would soar straightly in 2009, creating oppportunities for the automation industry.

In the munerous fields of the infrastructure sector, Sinotrust elaborated in particular investment and plans in airport construction. In recent years, the volumes of passenger and freight transportation have grown at an annual rate higher than 15%. From 2006 to 2010, China will invest a total of 186 billion

yuan in airport construction. It will build 40 new airports and upgrade 93 existing ones. In airport construction, nearly 80% funds will be used to construct terminal buildings , while 14% to build runways.

The automatic systems of airports occupy 8.1% of the total investment, valuing 15 billion yuan. Investment in automation for the baggage handling system, ground lighting system, IT and communication system, and electric power system has exceeded 1.5 billion yuan respectively. Investment in automation for the baggage handling system has even surpassed 4 billion yuan.



Wendy Wang Makes the Speech

On the basis of understanding the potential industries, Sinotrust proposed its solutions and scientific approaches on how to better listen to the voices of potential customers on the market, and went on illustrating them with case studies.

Customer groups of the automation industry present unique features in comparison to those of consumption goods. Therefore, studies of customers of the automation industry need to adopt a special research mode. Automation product technologies are more complex. Customer decision-making chain is longer. Purchase and application are more complex. As a result, we must confront more market participants in studying demands. Because of this, Sinotrust draws on existing mature models in consumption good studies and, through integrating qualitative and quantitative researches, develops inimitable models for industrial product user research, including satisfaction research, price testing and city economic indexes. As auxiliary tools listening to customer voices, these models help businesses find out potential customers, and establish a series of customer maintenance strategies.

Similar to consumption goods-based consumer studies, “the needs told by customers or users do not necessarily reflect their true needs,” said Wendy, “We must listen to their voices. But we must also analyze their voices, making sure whether they really know what they want. Customers of different backgrounds and at different stages of decision-making chain will have different stands. They will present different answers to same questions. For instance, people from the purchase department will always feel that goods are too expensive. Maintenance engineers will always think after-sale service is inadequate. Sinotrust will abide by errors deducted from studying elements in making traditional purchase decisions to derive research methods on elements evaluating purchase participant backgrounds and deduce results on relative evaluations of customers.”

After the meeting, Vinny Li, General Manager of Sinotrust Industrial Market Research Services and Wendy happily exchanged views with the honored guests on such topics as market prospects in central and western areas and in the medical service sector.

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About Sinotrust Industrial Market Research Services

Sinotrust is China’s leading supplier of industrial market research services. We help our clients make better business decisions on strategic planning, market expansion, marketing and investment. Our research fields cover a wide range of industries including automation control, construction, machinery, chemical industry and metal materials.

Our services consist of Market Opportunity Analysis, Market Entry Study, Industry Value Chain Research, Market Sizing, Market Segmentation Research, Customer Expectation Research, Channel Research, Due Diligence (Commercial), Competition Benchmark Research and Competition Analysis, etc.

To date, we have provided ad-hoc services to more than 100 global companies, mainly serving their global headquarters, Asia-Pacific headquarters, branches in China and local companies. We have accomplished more than 300 custom research projects. The annual in-depth interviews exceed 6,000.

About Sinotrust

Sinotrust is a leading supplier of marketing solutions and credit solutions in China. We collect, analyze and manage information about markets, consumers and businesses to provide marketing research, business information, consulting and database marketing services through integration of information, services and technology. Our products and services help you make better marketing and credit decisions and develop profitable customer relationships.

Over 80% of the Fortune 500 companies operating in China are using different products and services of ours. We employ about 1,000 people in our offices in Beijing, Shanghai and Guangzhou, supporting organization

clients from automotive, financial services, insurance, retail, telecommunications, IT, manufacturing, consumer products and trade sectors.

At the beginning of 2007, Experian, the global leader in providing information, analytical and marketing services, made a strategic investment in Sinotrust with both capital and know-how. The investment will greatly improve our service capabilities.

