

Hakuhodo Survey on the New Affluent: Income-rich *Sei-katsu-sha*

The income-rich are people with an annual household income of 15 million yen+. The majority are company employees.

Around 40% own the land their home is on, stocks, and/or life insurance in addition to cash and savings. Around 60% spend money on health and emotional fulfillment.

Tokyo—May 31, 2024—Hakuhodo Inc., a leading integrated marketing and innovation company headquartered in Tokyo, is pleased to announce that it has recently launched the Hakuhodo Affluent Marketing Lab, a project designed to create new marketing opportunities for clients by helping them market to affluent customers. The Lab focuses on a new class of affluent consumers emerging in Japan as the number of two-income households and power couples increases. It researches the mindset, values, and behavior of what it calls the “income-rich”—*sei-katsu-sha*¹ with an annual household income of 15 million yen or more. It also studies ways to market to this affluent demographic. For its opening salvo, the Lab has conducted a questionnaire entitled “Survey on the New Affluent: Income-rich *Sei-katsu-sha*,” which asked respondents about a wide range of attitudes and behaviors. This reveals the values of the income-rich in such areas as money, time, and consumption. The questionnaire, which took place December 1–6, 2023, surveyed a total of 2,451 males and females aged 20 to 69 all over Japan.

Survey Highlights

Percentage of the population who are income-rich and their occupations

- 2.4% of the population are income-rich, with an annual household income of 15 million yen or more. Among both men and women, the 40–49 age group accounts for the most income-rich.
- The majority of the income-rich (51.0%) are company employees. Nearly 30% (28.0%) work for listed companies.

Assets

- Around 40% of the income-rich own the land their home is on, stocks, and/or life insurance in addition to savings.

Attitudes to asset management and investing

- 61.1% of income-rich respondents consider medium- to long-term returns more important than short-term profits. 54.6% take risk into account in managing their portfolio. 51.5% do their own investing via an online broker or similar. 46.3% prefer to invest their money rather than put it in savings. These figures are 10–20

¹ “*Sei-katsu-sha*” is a term we use to describe people not simply as consumers, but as fully rounded individuals with their own lifestyles, aspirations and dreams.

percentage points higher than for the overall population, indicating the income-rich's strong appetite for asset management and investing.

Attitudes to time and life

- 56.3% of income-rich respondents spend money on their health and emotional fulfillment. 50.4% value time efficiency. 46.5% are happy to spend money to gain more time to relax. These figures are roughly 10 percentage points higher than for the overall population. The income-rich are thus eager to find extra time in order to improve their quality of life.

Consumer attitudes

- In terms of attitudes to shopping and consumption, 34.1% of income-rich females in their twenties and thirties like to pamper themselves as a form of self-reward. This is even higher than the score for the income-rich overall (17.8%), indicating a greater desire for self-rewarding consumption among this cohort.

Observations on the Survey Findings

According to the *Comprehensive Survey of Living Conditions* compiled by the Japanese Ministry of Health, Labour and Welfare, the proportion of households with an annual income of 10 million yen or more rose from 11.3% in 2013 to 12.6% in 2022, an increase of 1.3 percentage points over a decade. The number of income-rich households—households with an annual household income of 15 million yen or more—increased by about a million over the same ten-year period.*

Most of the new income-rich are company employees or businesspeople. This suggests that corporations contribute to an increase in the number of power couples and other income-rich households by giving greater career opportunities to young people and women and creating a workplace that promotes work-life balance. Moreover, the income-rich are eager to spend money on their health and emotional fulfillment and on enjoying their free time. This is emblematic of the mindset they have developed in the course of their busy daily routine striking a balance between their career, private life, and family. Take, for example, the penchant for self-rewarding consumption observed among income-rich women in their thirties. The quality of the goods and services offered to them is of course important in tapping this demand. But also key is the question of how to cater to their concerns about health and emotional fulfillment and their desire to enjoy their free time.

— Analyst for the Survey on the New Affluent: Income-rich *Sei-katsu-sha*

* Ministry of Health, Labour and Welfare, *Comprehensive Survey of Living Conditions* 2013, 2022.

Overview of the Survey on the New Affluent: Income-rich *Sei-katsu-sha*

- Survey period: December 1–6, 2023
- Survey respondents: 2,451 males and females aged 20–69 living all over Japan, of whom 1,424 were income-rich individuals with an annual household income of 15 million yen or more. The entire sample was weighted back to Macromill panel annual household income data and the screening survey results.
- Survey method: Online questionnaire
- Conducted by: H.M. Marketing Research, Inc.

The Hakuhodo Affluent Marketing Lab

The Hakuhodo Affluent Marketing Lab is a project designed to create new marketing opportunities for clients by helping them market to affluent customers. The Lab focuses on a new class of affluent individuals emerging in Japan as the number of two-income households and power couples increases. It researches the mindset, values, and behavior of what it calls the “income-rich”—*sei-katsu-sha* with an annual household income of 15 million yen or more. It also studies ways to market to this affluent demographic.

■ About Hakuhodo

Founded in 1895, Hakuhodo is an integrated marketing solutions company headquartered in Tokyo, Japan. With offices in 20 countries and regions, and over 10,000 specialists working in Japan and around the world, the company is the core agency of Hakuhodo DY Holdings, one of the world’s top 10 largest agency companies according to *Ad Age*’s “Agency Report 2024.”

Sei-katsu-sha insight is the foundation for Hakuhodo’s thinking, planning, and brand building. It reminds us that consumers are more than shoppers performing an economic function. They have heartbeats. They are individuals with distinct lifestyles. Hakuhodo introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree perspective on consumers’ lives.

With *sei-katsu-sha* insight as its cornerstone, Hakuhodo combines creativity, integrative capabilities, and data and technology to play a leading role in evolving companies’ marketing activities and generating innovation for the completely digitalized era. This enables the company to impact and provide value to *sei-katsu-sha* and society.

Renowned for its creativity, Hakuhodo has won the Grand Prix at Cannes Lions International Festival of Creativity twice, and was named Network of the Year at ADFEST 2021.

To learn more, visit: www.hakuhodo-global.com

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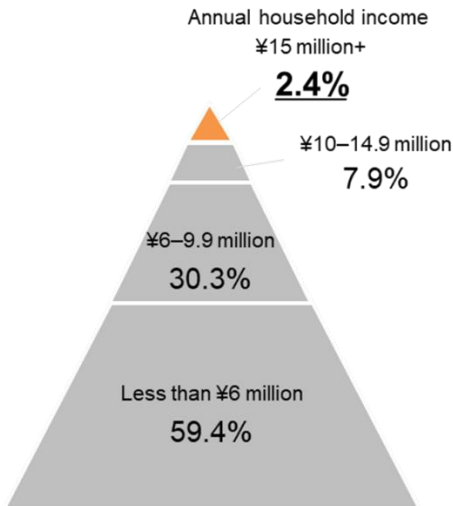
Detailed Survey Findings

NOTE: The percentages given for each cohort have been calculated by weighting the data for the entire 2,451-person sample back to the screening survey results and Macromill panel annual income data.

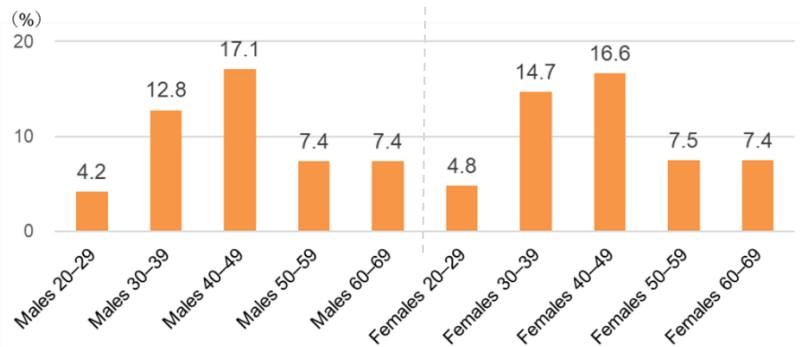
Percentage of the population who are income-rich

- 2.4% of the population are income-rich, with an annual household income of 15 million yen or more. Among both men and women, the 40–49 age group accounts for the most income-rich.

Q. What is your pretax household income?



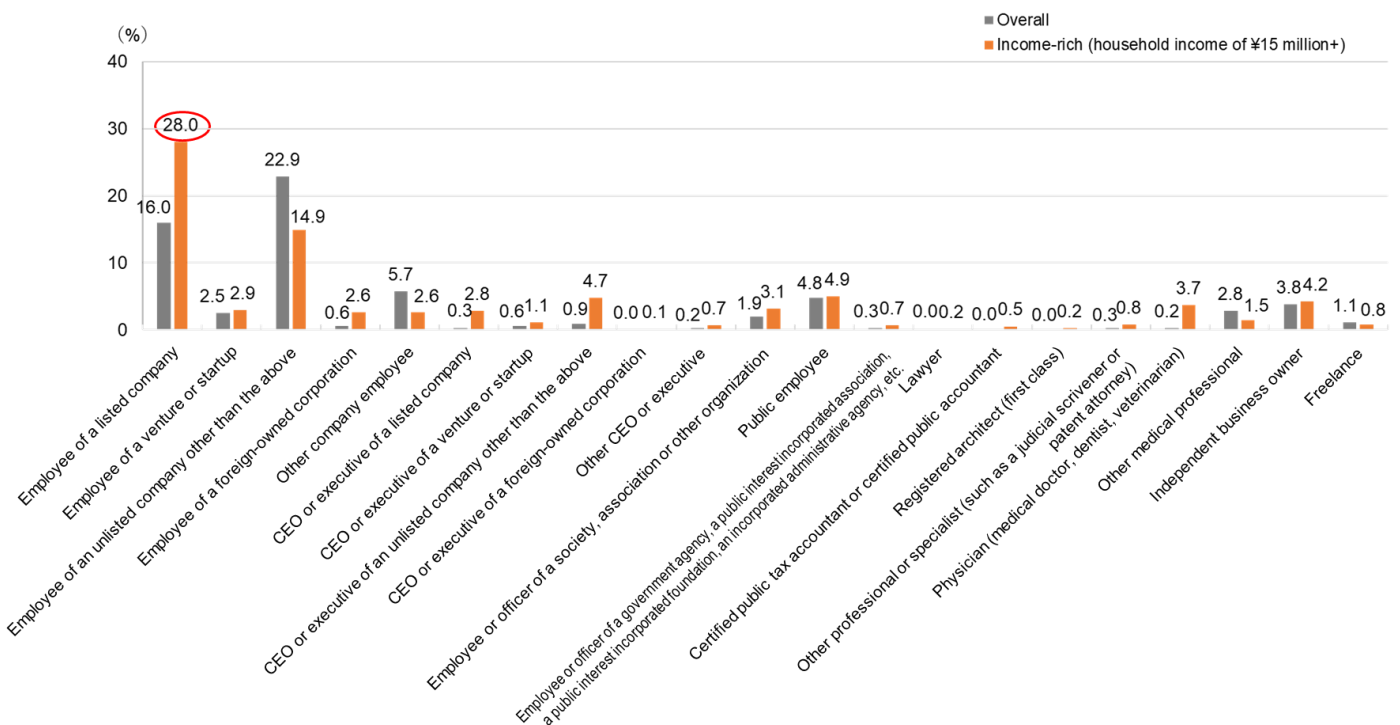
Breakdown of the income-rich by gender and age



Occupations

- The majority of the income-rich (51.0%) are company employees. Nearly 30% (28.0%) work for listed companies.

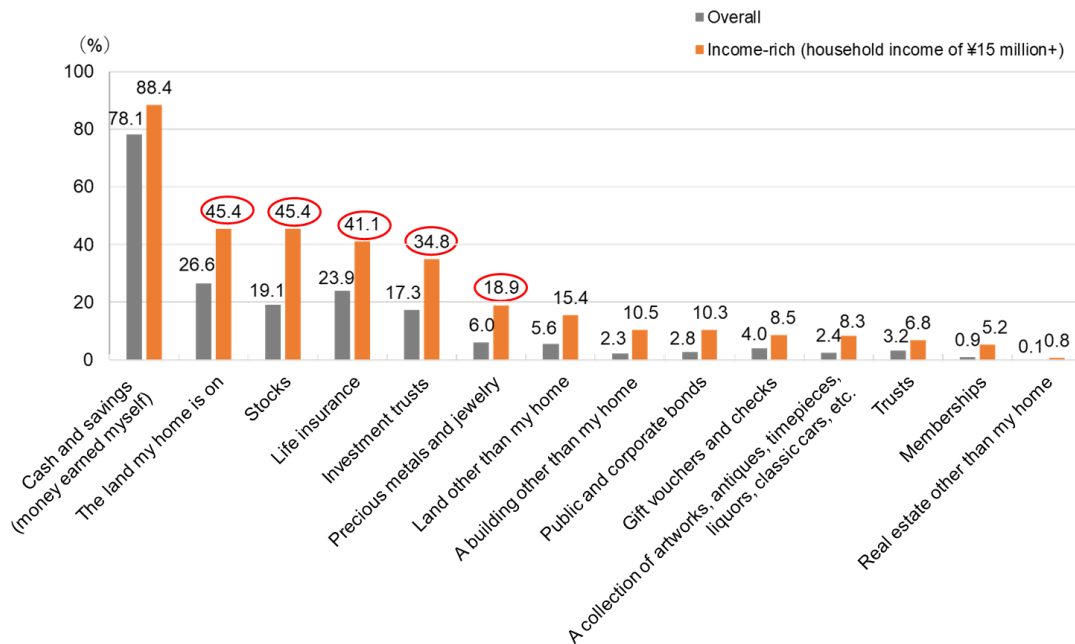
Q. What is your primary occupation?



Assets

- Cash and savings account for the highest proportion of assets among both the overall population and the income-rich.
- Around 40% of the income-rich own the land their home is on (45.4%), stocks (45.4%), and/or life insurance (41.1%). The number of income-rich who own investment trusts (34.8%) and precious metals and jewelry (18.9%) is more than 10 percentage points higher than for the overall population.

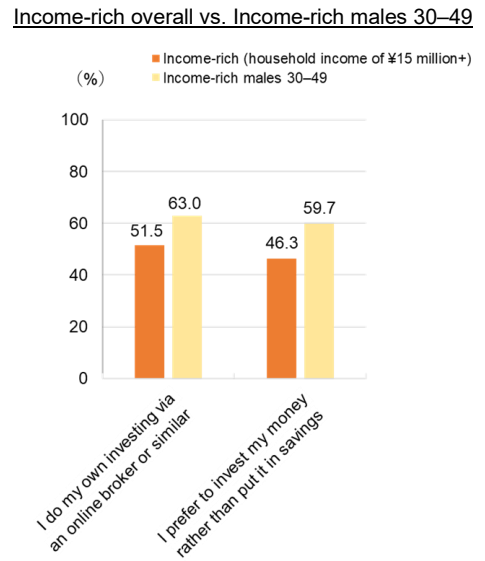
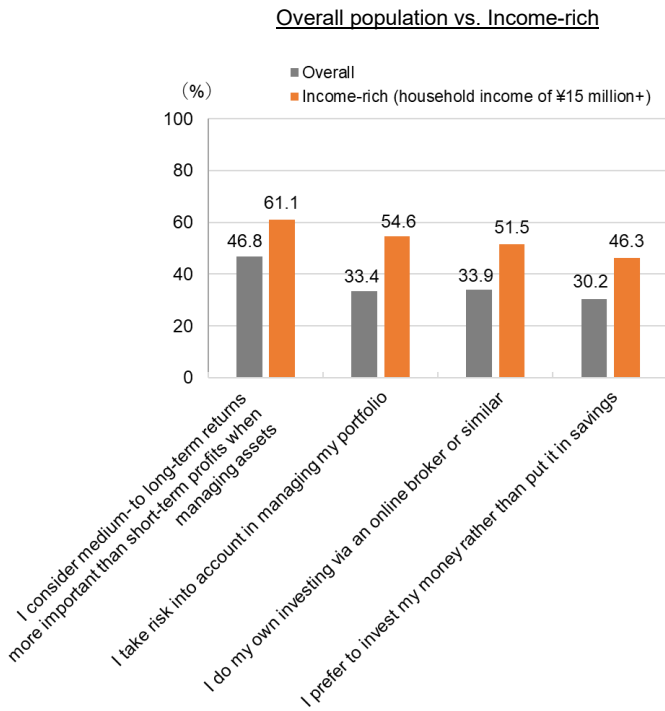
Q. Select all types of assets that you own, have inherited, or expect to inherit.



Attitudes to asset management and investing

- 61.1% of income-rich respondents consider medium- to long-term returns more important than short-term profits when managing assets. 54.6% take risk into account in managing their portfolio. 51.5% do their own investing via an online broker or similar. 46.3% prefer to invest their money rather than put it in savings. These figures are 10–20 percentage points higher than for the overall population.
- Around 60% of income-rich males in their thirties and forties do their own investing via an online broker or similar (63.0%) and/or prefer to invest their money rather than put it in savings (59.7%). This indicates their strong appetite for investing.

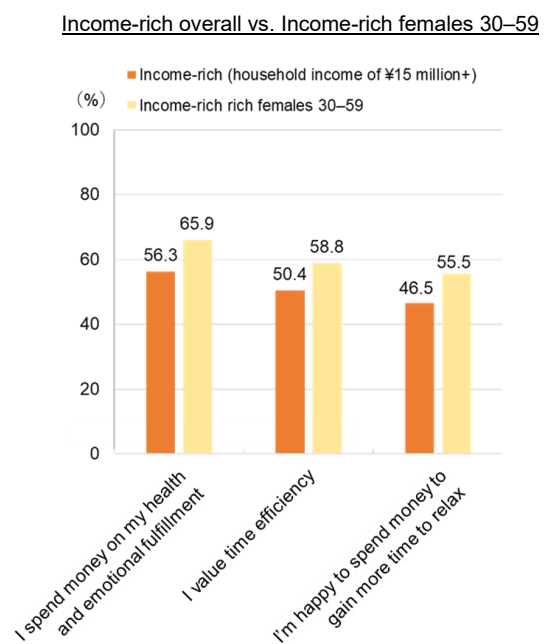
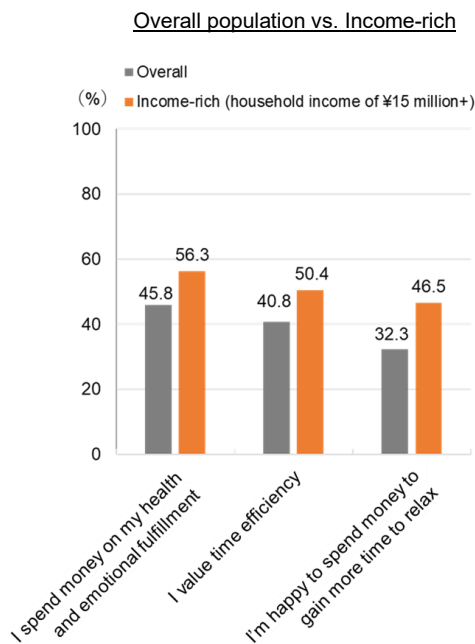
Q. To what extent do you agree with the following statements? For each, choose whichever option applies. (Percentage answering “Agree” or “Somewhat agree”)



Attitudes to time and life

- 56.3% of income-rich respondents spend money on their health and emotional fulfillment. 50.4% value time efficiency. 46.5% value time efficiency. 46.5% are happy to spend money to gain more time to relax. In all three categories, the income-rich score roughly 10 percentage points higher than the overall population.
- Such attitudes are even more prevalent among income-rich women in their thirties to fifties, the childrearing years. They score roughly a further 10 points higher, indicating their desire to find extra time for emotional and physical relaxation by being more efficient.

Q. To what extent do you agree with the following statements? For each, choose whichever option applies. (Percentage answering “Agree” or “Somewhat agree”)

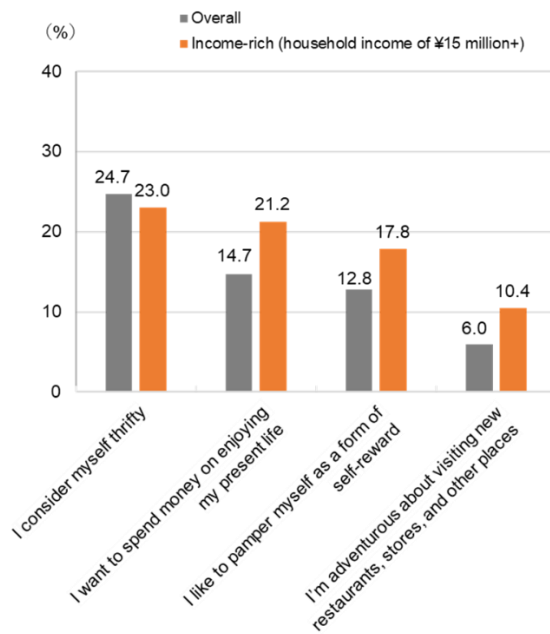


Consumer attitudes

- There is no significant difference between the overall population and the income-rich in the percentage who consider themselves thrifty. The income-rich do score higher, however, on other consumer attitudes. 21.2% want to spend money on enjoying their present life. 17.8% like to pamper themselves as a form of self-reward. 10.4% are adventurous about visiting new restaurants, stores, and other places.
- Over 30% of income-rich females in their twenties and thirties like to pamper themselves as a form of self-reward, indicating their greater desire for self-rewarding consumption.

Q. Choose all the following statements that apply to you.

Overall population vs. Income-rich



Income-rich overall vs. Income-rich females 20–39

