

Current Research Seminar

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@RCAPS Conference Room A (B bldg. 2F)

A Stated Choice Analysis of Corporate Rebranding, Foreign Takeover and Production Relocation Abroad



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The research addresses how consumers in Japan reacts to corporate changes such as rebranding, the take-over by a foreign company and the relocation of production abroad. Foreign takeovers and shift of production abroad can be received with anxiety by the society. Recently, foreign corporations have taken over Japanese companies and units have relocated to lower cost countries. The most prominent examples are the white goods business of Sanyo Electric, which was taken over by Haier of China, and Sharp which was acquired by Hon Hai Precision Industry. Since such acts of corporate change often are used simultaneously the study looks at both main and interaction effects of change on consumer attitude. For instance, rebranding is necessary if the acquired business was a business unit of another company. For instance, the machinery business of Eisai was rebranded to Bosch Packaging Technology K.K. after it was acquired by Bosch of Germany in 2012. Though Haier also uses its main brand in Japan, a new brand “Aqua” was created for the domestic market in Japan. The used method - Stated Choice Analysis – allows for identifying interaction effects of corporate change. This model estimates the choice probability of brand with and without corporate changes and thus sheds light on the attitude towards corporate changes.