

Voluntary Report – Voluntary - Public Distribution

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Report Name: 2020 Tokyo Olympics Presents Market Opportunities

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Report Highlights:

Tokyo will host the 2020 Summer Olympics and Paralympic Games which is likely to boost demand in the food and beverage industry. The Tokyo Organizing Committee of the Olympic and Paralympics Games (TOC) has emphasized the use of domestic agricultural products and promotion of Japanese food culture. However, increased foodservice demand from inbound tourists may offer new opportunities for key U.S. exports such as wheat, beef, and pork. The TOC's emphasis on meeting diverse dietary requirements may also boost demand for soybeans, almonds, rice and sorghum, which cater to specialized diets such as vegan and gluten-free.

General Information:

During the XXXII Olympic Summer Games, which will be hosted by Tokyo from July 24 to August 9, 2020 and the Paralympic Games from August 25 to September 6, 2020, Japan is likely to see increased demand in the food and beverage industry given the influx of athletes and spectators coming from around the world. The games will mostly be held in Tokyo and its vicinity, with a portion of the football, baseball and softball matches being held at stadiums in other parts of Japan (Shizuoka, Sapporo, Fukushima and Miyagi). See [JA7042](#) for a list of anticipated venues.

Demand Impact:

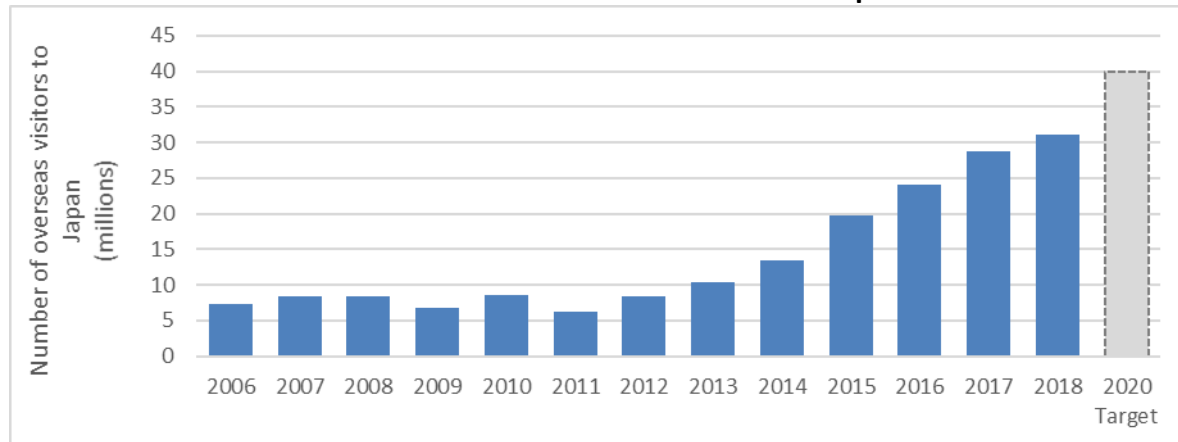
According to the Tokyo Organizing Committee of the Olympic and Paralympics Games (TOC), 26,200 athletes are expected to participate in both games with an estimated 7.8 million visitors holding tickets for the Olympics and 2.3 million visitors holding tickets for the Paralympics. While the TOC's [Basic Strategy for Food and Beverage Services at the Tokyo 2020 Games](#) emphasizes the usage of domestic agricultural products and the promotion of Japanese food culture among food and beverage providers of the Olympic venues, the country is preparing for high demand across the entire food industry, particularly among restaurants, department stores and convenience stores offering foods that are typically popular among inbound tourists. These include dishes such as ramen and meat dishes which offer potential market opportunities for U.S. products such as wheat, beef, and pork.

The TOC's Basic Strategy for Food and Beverage Services also places importance on having food and beverage providers give special consideration for Olympic stakeholders with special dietary requirements. This provides an opportunity for Japan to increase awareness of various dietary requirements including vegan, vegetarian, halal, paleo, and kosher. U.S. products used to meet these requirements may also see increased export opportunities. Potential products include soybeans, almonds, rice and sorghum.

Current Food Trends among Inbound Tourists:

According to statistics released by the Japan National Tourism Organization (JNTO), Japan has seen a continuous rise in the number of foreign visitors which surpassed 30 million in 2018 (see Chart 1). The Government of Japan is targeting 40 million visitors in 2020, though local media has cautioned this figure may not account for visitors choosing to avoid Japan during the busy Olympic season.

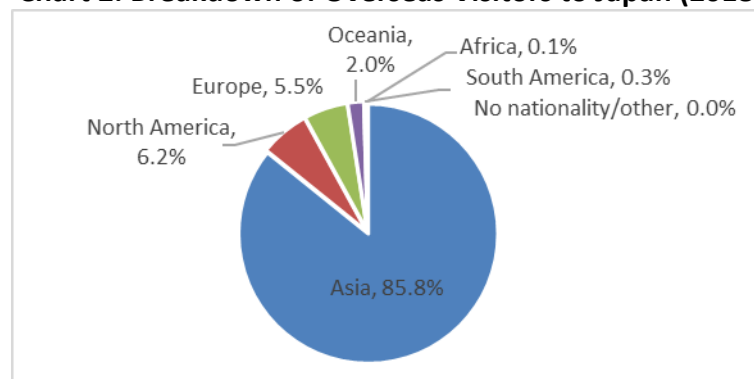
Chart 1: Number of Overseas Visitors to Japan



Source: JNTO ([link](#))

Asian countries accounted for 85.8 percent of total visitors to Japan in 2018 (see Chart 2). The Tokyo 2020 Games are likely to bring visitors from a wider spectrum of countries and regions. According to data from the JNTO, food and beverage spending by U.S. and European tourists tends to be higher than that of Asian visitors, suggesting that Japan will see an increase per capita spending for food and beverage in 2020 (see Table 1). In 2018, overall spending by inbound tourists was 4.5 trillion yen (\$41.9 billion), of which 21.7 percent came from food and beverage sales. Average spending per capita was 153,029 yen where 33,748 yen came from food/beverage over an average 9.0 day stay.

Chart 2: Breakdown of Overseas Visitors to Japan (2018)



Source: JNTO ([link](#))

Table 1: Average Per Capita Spending by Inbound Tourists

| Unit: USD | Country | Total expend. | Accomm. | Food/beverage | Transport | Entertainment/service | Shopping | Other |
|-----------|-------------|---------------|---------|---------------|-----------|-----------------------|----------|-------|
| Asia | China | 2,094 | 446 | 372 | 157 | 74 | 1,044 | 0.88 |
| | South Korea | 727 | 233 | 186 | 71 | 36 | 201 | 0.44 |
| | Taiwan | 1,188 | 329 | 262 | 126 | 47 | 423 | 0.28 |
| | Hong Kong | 1,439 | 425 | 343 | 155 | 47 | 468 | 0.34 |

| | | | | | | | | |
|---------------|---------------|-------|-----|-----|-----|-----|-----|------|
| | Thailand | 1,158 | 343 | 258 | 140 | 41 | 375 | 1.39 |
| | Singapore | 1,609 | 589 | 385 | 185 | 60 | 388 | 0.50 |
| | Vietnam | 1,754 | 520 | 408 | 176 | 55 | 593 | 2.23 |
| | Malaysia | 1,281 | 418 | 283 | 152 | 60 | 367 | 0.03 |
| | Philippines | 1,135 | 293 | 280 | 135 | 57 | 369 | 2.50 |
| | Indonesia | 1,317 | 448 | 271 | 195 | 52 | 350 | 0.16 |
| | India | 1,503 | 702 | 317 | 204 | 35 | 246 | 0.00 |
| North America | United States | 1,783 | 766 | 471 | 254 | 73 | 218 | 0.32 |
| | Canada | 1,706 | 697 | 442 | 257 | 74 | 234 | 1.34 |
| Europe | U.K. | 2,057 | 937 | 522 | 309 | 78 | 211 | 0.32 |
| | France | 2,009 | 796 | 530 | 311 | 69 | 302 | 0.38 |
| | Germany | 1,785 | 787 | 443 | 264 | 56 | 235 | 0.81 |
| | Italy | 2,081 | 816 | 538 | 365 | 70 | 289 | 2.67 |
| | Spain | 2,209 | 862 | 578 | 393 | 71 | 305 | 0.00 |
| Other | Australia | 2,253 | 923 | 548 | 325 | 151 | 304 | 2.20 |
| | Russia | 1,753 | 584 | 408 | 205 | 74 | 480 | 1.33 |
| | Other | 1,859 | 787 | 451 | 274 | 59 | 288 | 0.13 |

Source: JNTO

Note: Converted from yen to U.S. Dollars using U.S. Dollar/Yen Central Rate of 107.41 (September 2019 average)

JNTO statistics show that meat dishes, ramen, and sushi are the most popular food categories among inbound tourists (see Table 2). Meat dishes are particularly popular among Asian visitors, while sushi and ramen are more popular among U.S. and European visitors.

Table 2: Most satisfying dish during Japan visit (2018)

Unit: %

| Food category | Most satisfying dish |
|-----------------------|----------------------|
| Meat dishes | 23.9 |
| Ramen | 19.9 |
| Sushi | 16.9 |
| Fish | 12.6 |
| Other Japanese dishes | 7.0 |
| Soba, udon (noodles) | 4.6 |
| Confectionary | 3.7 |
| Flour dishes | 2.9 |
| Other food/beverages | 1.8 |
| Alcoholic beverages | 1.4 |
| Fruit | 0.7 |
| Foreign dishes | 0.5 |
| Other dishes | 4.1 |
| Total | 100 |

Source: JNTO

Procurement:

The TOC announced in March 2018 its [Basic Strategy for Food and Beverage Services at the Tokyo 2020 Games](#), which emphasizes sustainability, food safety and the promotion and usage of domestic agricultural products. The TOC recognizes ASIAGAP and GLOBALG.A.P as certifications that satisfy the conditions laid out in the [Sustainable Sourcing Code for Agricultural Products](#), but will also accept other certification schemes which meet the conditions. As of October 2019, the following certifications have been recognized as additional procurement standards for agricultural products: SQF Food Safety Code for Primary Production, U.S. Soybean Sustainability Assurance Protocol, Fairtrade Certification and Rainforest Alliance Certification. If additional supplies are needed that do not have certification, suppliers will be required to prove that the agricultural products follow the Sustainable Sourcing Code and obtain third-party verification. Further details on sustainable sourcing codes for timber, agriculture, livestock and fishery products, and palm oil are available on the [TOC website](#).

The vendor for providing catering services for the Olympic and Paralympic Athletes' Village has already been decided and announced (see Table 3). A further list of vendors catering to the other Olympic venues is expected to be released in the coming months [here](#).

Table 3: Catering Contractor for Olympic and Paralympics Athletes' Village

| | |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company name | AIM SERVICES CO.,LTD. |
| Responsibility of Contract | Providing catering services (food & beverage) for the 4 dining areas in the Olympic and Paralympic Athletes' Village (expected maximum meals/day is 50,000) |
| Head Office | Ark Hills Front Tower, 2-23-1 Akasaka Minato-ku, Tokyo 107-0052 |
| Telephone Number | +81-3-6235-7500 |
| Main Shareholders | Mitsui & Co., ARAMARK Group |
| Business Areas | Provides food and support services for corporations, hospitals, schools, sports facilities and government offices. |

Source: The Tokyo Organizing Committee of the Olympic and Paralympic Games, Company website

Sponsors:

As of September 2019, the following companies are listed as sponsors related to food and beverages: The Coca-Cola Company (alcohol-free beverages), Asahi Breweries, Ltd. (beer and wine), Meiji Co., Ltd. (dairy products and confectionary), Ajinomoto (cooking condiments, dehydrated soup, amino acid based granules and prepared frozen foods), Kikkoman Corporation (sauce, vinegar, sweet sake and cooking sake) and Nissin Food Holdings Co., Ltd. (packaged noodles and pasta) (see Table 4).

Table 4: Sponsors related to food and beverage services during the Olympics and/or Paralympics

| Type of Partnership | Company name | Contract category |
|-------------------------|-----------------------|----------------------------------------------------------------------|
| IOC Worldwide Partner | The Coca-Cola Company | Alcohol-free beverages, Coffee beans, Instant coffee powder/granules |
| Tokyo 2020 Gold Partner | Meiji Co., Ltd. | Dairy products, confectionary |
| Tokyo 2020 Gold Partner | Asahi Breweries, Ltd. | Beer, wine |

| | | |
|-----------------------------|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Tokyo 2020 Official Partner | Ajinomoto Co., Inc. | Cooking condiments, dehydrated soup, Amino acid based granule, prepared frozen foods, coffee beans, instant coffee powder/granules |
| Tokyo 2020 Official Partner | Kikkoman Corporation | Sauce (including soy sauce), vinegar, sweet sake (mirin) and cooking sake |
| Tokyo 2020 Official Partner | Nissin Food Holdings Co., Ltd. | Packaged Noodles, pasta |

Source: The Tokyo Organizing Committee of the Olympic and Paralympic Games, Company news releases

Note: The Tokyo 2020 Sponsorship Program consists of three separate categories: Tier 1 - Tokyo 2020 Gold Partner, Tier 2 - Tokyo 2020 Official Partner, Tier 3 - Tokyo 2020 Official Supporter. The region of sponsorship is limited to Japan and the terms and conditions of sponsorship differ according to each tier.

Related FAS Tokyo reports:

[Japan: FAIRS Country Report](#): Overview and update of Japan’s general legal and technical requirements for food and agricultural imports

[Japan: HRI Food Service Sector Report 2019](#): Annual report on Japan’s hotel, restaurant, and institutional food service industry (HRI)

[Japan: Procurement Tender Procedures Established for 2020 Tokyo Olympics](#)

Attachments:

No Attachments.