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Report Highlights:

This month's issue discusses the most recent changes in the world of food as we approach the end of the year.

Japan Food Trends (JFT) communicates Japanese food and lifestyle trends that may help U.S. exporters to generate product and marketing ideas.



Agricultural Trade Office Japan

Japan Food Trends

General Information:

In 2010, there have been new food in Japan experienced a variety of changes. The trends discussed in this issue focus on both current developments and differences between Japanese and American food culture that may help you when exporting or looking to export to Japan.

Auntie Anne's Pretzels Hits Japan, Nikkei MJ, Dec. 6, 2010 p 5

The style of Japanese restaurants is generally quite different from that of the West. Although there are certain types of cuisine which are “family style” such as Chinese food in the U.S., Americans generally do not share food at restaurants or cook it themselves right there at the table. The truth is that most middle-end food in Japan falls into one or both of these two categories. *Yakitori* (chicken on skewers), *yakiniku* (similar to Korean BBQ), *okonomiyaki* (egg and batter mixed with vegetables, meat etc. and cooked on a hibachi grill) and even most sushi restaurants qualify as “family style” dining. The idea is that when a group goes to a restaurant, they order a variety of different dishes and share. *Yakitori* dishes usually come with only one or two skewers and the price of each dish is usually under 500 yen (\$5.75). This means each person can pick his or her personal favorite and allow a newcomer to try it as well. Another example is *yakiniku* restaurants, which serve many different cuts of meat and the customer then cooks the meat on a communal stove on the table top. Similar to *yakitori*, usually one order is not enough to satisfy everyone. Next, *okonomiyaki*, like *yakiniku*, is usually made by the customers themselves. The ingredients are also customizable making *okonomiyaki* one of the most fun foods to eat with a group. Finally, *kaitenzushi* (conveyer belt sushi) dishes are small enough that each person can go through a huge number of plates and thus eat a plethora of different sushi in one sitting. In addition to traditional sushi, small vegetable, tofu, and other sides are also served on the conveyer belt. This style of cuisine is interesting because it allows the customer to eat many different types of food at once. Within these very common place Japanese restaurants, patrons have greater freewill in choosing what they want and, often, because of the lower cost that comes with these separate small portioned dishes, patrons are more liberal in choosing different or new items. Additionally, while these restaurants have staple menu items, they are more likely to have seasonal promotions or offer new special limited time items.

From the Editor

Owner's of restaurants such as these are more likely to use your product or ingredient because they are taking on less risk, as often times they start with purchasing small orders. This could also be an excellent channel with which to test your product or ingredient in the Japanese market.

Coffee in Japan, *Metropolis Magazine*, 10/5/27

<http://metropolis.co.jp/dining/taste-maker/katsu-tanaka/>

Although there are many coffee houses to choose from in Japan, the majority of the shops are chains, namely Starbucks, Tully's, Excelsior, and Doutor. In America, coffee culture has grown and expanded exponentially in the last few decades; now almost every coffee drinker has his or her preferred coffee shop, blend, and brewing method. While coffee culture has developed in Japan, it does not have the same sophistication of that of the United States. But this may be changing, as stories like that of Katsu Tanaka and his specialty espresso bar are becoming more common in Japan. At Katsu's shop, Bear Pond Espresso, in Shimokitazawa (Tokyo), coffee is an art, a science, and a religion. Katsu keeps detailed records of each roast he orders and puts a great deal of thought and care into which batch he chooses each day. He enjoys the uniqueness of each shot and tries to educate his patrons about his process and about coffee itself. He is able to do so because of his extensive knowledge that he received in the United States. His training has taken the better part of the last 10 years to complete but it seems to be paying off as his shop gets so crowded everyday by 2pm that he must stop serving espresso shots. Although Bear Pond is not the only one of its kind in Tokyo, it is still a rarity. As awareness of coffee culture rises in Japan, we may see a shift from commercial to more expensive, specialized, and personalized shops such as this one.

From the Editor

This development of more sophisticated coffee culture has come mainly out of education. Espresso bars, such as the one described above, are doing their best to form a coffee subculture mostly through educating the public about the production process and quality differences between different types of coffee. When looking to import high-end coffee, make sure education is a part of your marketing plan.

Regional Differences in Cuisine and Culture, *Hitokuchi Memo*

http://www.jay-han.com/files/hitokuchi_3new.pdf

Although Japan Food Trends generally focuses on food trends in the Tokyo Metropolitan area, it is important to address the diverse array of regional food cultures and tastes. When considering how to enter a market in Japan, it is good to know about some of these differences. The two largest regions in Japan are Kanto and Kansai. Tokyo and its surrounding area can be called Kanto, whereas the Osaka and Kyoto area is known as Kansai. Because Japan spent much of its long history as a group of semi-autonomous states instead of one unified nation, regions in Japan developed independently and they have their own unique history and culture and many of these disparate cultural norms have survived to present day. Because Osaka has a history of being a center for commerce and trade in Japan, people from Kansai developed certain "entrepreneurial" customs. This includes a casual and brusque dialect as well "the Kansai sense of humor".

In the past few centuries, the capital city of Japan has been in the Kanto region, first with Kamakura and then with Edo (now Tokyo). Because of this, Kanto residents were more likely to be samurai, government officials, or wealthy landowners. This cultivated an attitude of sophistication and propriety. The national dialect of Japan is the Tokyo dialect and has been effectively disseminated in recent years due to the media.

Along with these general differences, Kanto and Kansai each have unique tastes in food. This, too, is due to the structure of society and availability of food products centuries ago. Kansai people prefer

lighter colored soup broths than Kanto people; they also tend to prefer soft *udon* (thick wheat flour) noodles instead of the smaller *soba* (thin buckwheat) noodles. In Kanto, fermented soybeans, *natto*, and beef are eaten regularly, while in Kansai *natto* is unpopular and pork is preferred. Although Kansai and Kanto are different, they are both on Honshu. If Kanto cuisine was compared to Okinawa food culture, the differences would be even more striking. Remembering that these cultural differences do exist, even within such a small country, is truly important as an exporter to Japan.

From the Editor

Most U.S. exporters focus on Tokyo or the Kanto area, but the Kansai region is an untapped market with unique tastes and demands. Exploring the Kansai market, especially with the help of our Osaka office, can open up a variety of new opportunities.

Alcohol-free Beer Makes a Splash, Asahi 10/4/28

<http://www.asahi.com/business/update/0704/TKY201007030369.html>

Over the past few years, non-alcoholic beer has grown in popularity and most of the major domestic beer companies, such as Suntory, Asahi and Kirin, all market at least one 0% alcohol beer. Zero percent alcohol beer has gained popularity for a number of practical and cultural reasons. In Japan, the legal blood alcohol limit for drivers is .03% and punishments for driving under the influence are severe. Despite this, Japanese culture and the Japanese business environment encourages many events and occasions in which drinking is prescribed and traditional. Non-alcoholic beer is one way for drivers to participate in these social events without risk. Other markets for the beverage include people who have a low alcohol tolerance or impaired acetaldehyde dehydrogenase, common in East Asians, which leads to bad hangovers, flushing, and other health issues. This beverage has also become the choice of many women, including those who are pregnant or nursing, not only for its non-alcoholic features but also as many of the beers are also zero calories. Another reason for this product's growing popularity is the competitive price. Because the alcohol tax is decided based on the alcohol content of a beverage, as long as it is less than 1%, no extra tax is accrued. The price of any non-alcoholic beer ranges from 130 to 150 yen (\$1.50 to \$1.80) and is roughly the same as the price of "third beers", which are beer flavored liquors. These liquors were also developed recently to avoid new beer taxes that delineate price based on the malt content of the beverage. Major beer producers are focusing more and more on non-alcoholic product lines in order to create new flavors and types of non-alcoholic beer to expand their market.

From the Editor

Low calorie or zero calorie beverages have been growing in Japan over the past few years and this market is expected to continue to grow.

Photos by:

Japan Map: http://www.japaneselifestyle.com.au/travel/images/japan_map_islands.gif