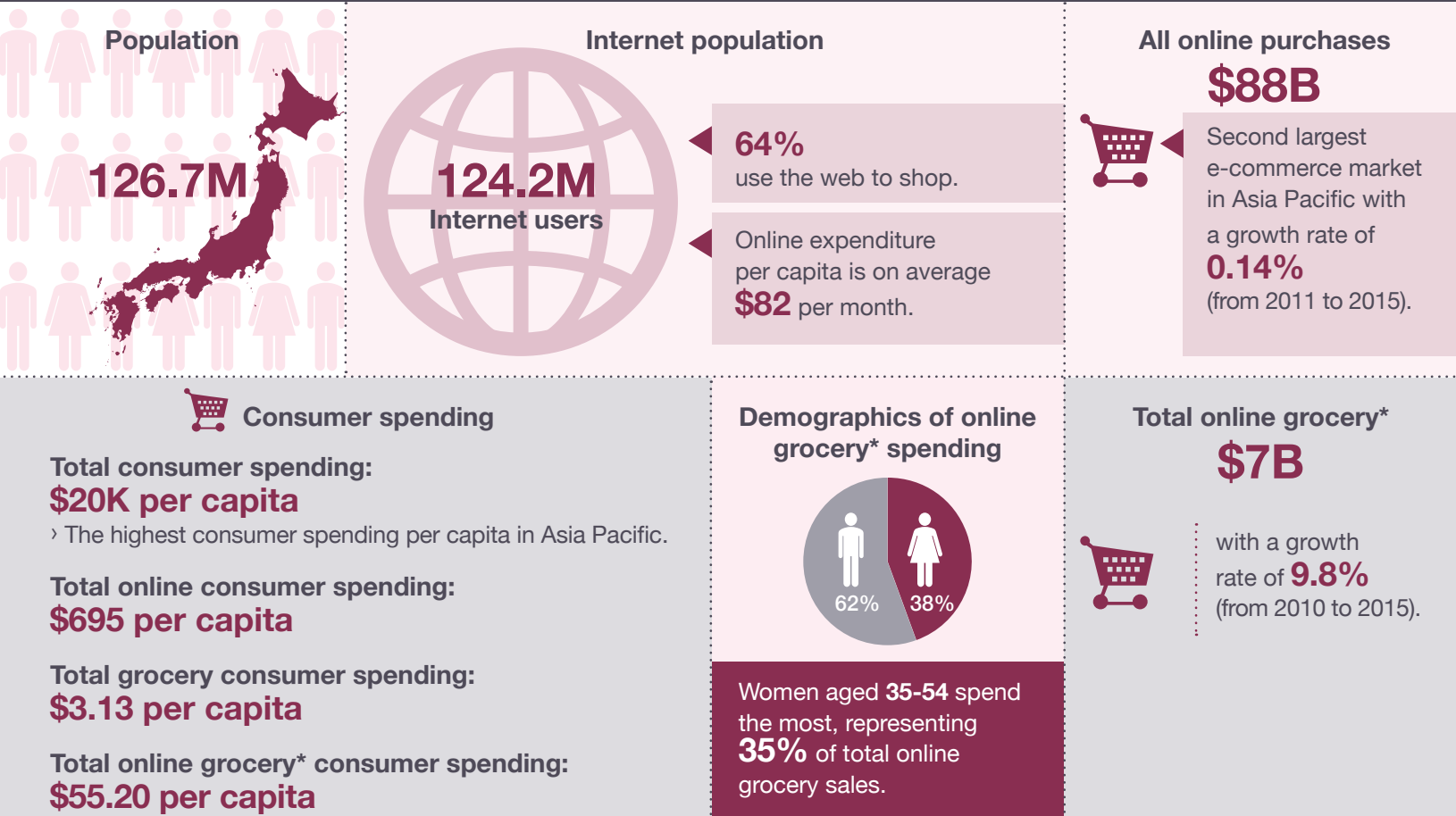


# AN OVERVIEW OF E-COMMERCE TRENDS IN JAPAN

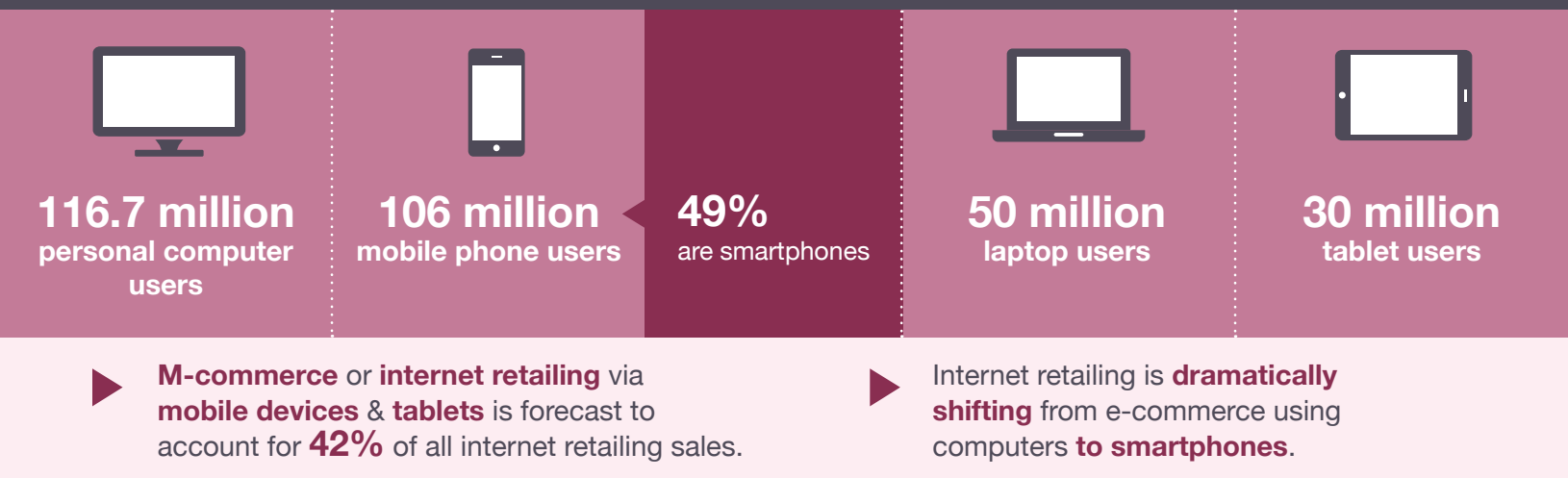


BASIC ELEMENTS TO CONSIDER FOR SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs)  
DOING BUSINESS IN JAPAN VIA E-COMMERCE CHANNELS

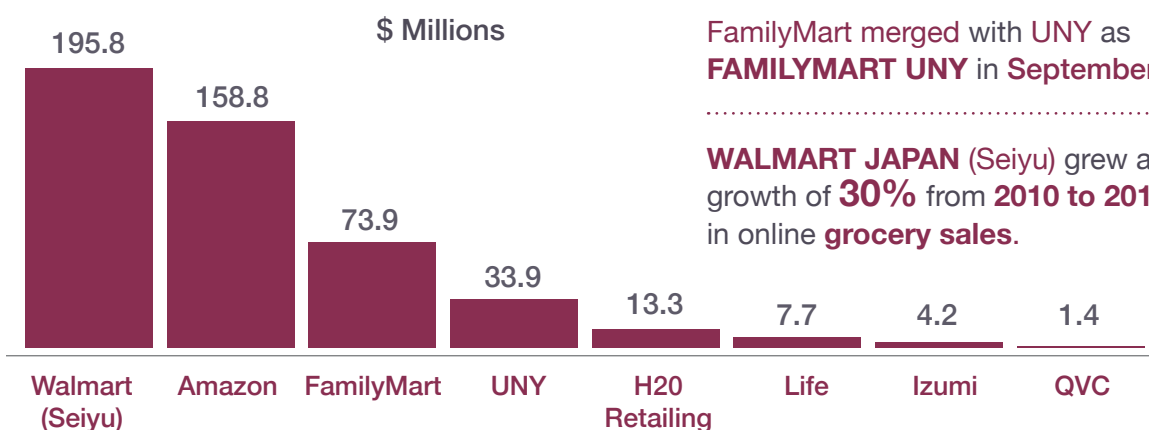
## QUICK FACTS (2015)



## TOP METHODS OF ACCESSING THE INTERNET FOR SHOPPING



## TOP INTERNET E-GROCERS in grocery sales



Note: All dollars are in US funds.

\*Total online grocery data only includes food and drink.



Agriculture and  
Agri-Food Canada

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Canada

# JAPANESE CUSTOMER BEHAVIOUR & TRENDS

Japanese consumers are shopping more online for edible goods due to the convenience and chance to bargain hunt during periods of economic downturn. This trend is beneficial to Canadian SMEs as there is greater opportunity to expand their consumer base beyond a physical space.

## JAPANESE CONSUMERS WANT:

- Maximum quality and fresh food with minimum sauces or additives.
- Convenient food products.
- Ethical, low environmental impact brands.
- Multiple prices range and better deals.
- Trustworthy brands.
- Customer interaction and personalised service.

Japanese customers have high expectations towards service.

Japanese are avid researchers: They count on online review sites or online word-of-mouth for information.

### Customer Interaction through Social Networking:

- Online retailers share new campaigns.
- Customers provide both positive and negative feedback.
- Customers give some ideas on new product design and influence corporate social responsibility.

### Payment methods:

- Mainly pay by credit cards.
- Cash-on-delivery is becoming less popular.
- Omni-channel strategy: Internet retailers partner with convenience stores to offer collection services and purchase in stores.

## UNDERSTANDING JAPAN'S ONLINE MARKETPLACE TRENDS

▶ Online grocery sales are **expected to grow** by  **8.5%** from 2015 to 2020. The **annual value** is estimated to be **\$10.5B** in 2020.



▶ Japan has the world's oldest population, which will create an **opportunity for functional foods designed for health-conscious seniors.**



▶ The **increase in sales tax** will continue to drive more price-sensitive Japanese consumers to **online grocery platforms** to seek **lower-priced goods.**



▶ Japan plans to open special economic zones which offer **reduced taxes** and provide **subsidies to new companies** establishing **e-commerce operations.**



▶ The **2020 Tokyo Olympics**, Japan's new economic stimulus, will potentially **boost Japan's economy** and **benefit Canadian companies**, especially **small and medium-sized enterprises exporting into Japan.**



## COMPANY SPOTLIGHT



▶ Focuses on fresh food and beverage sales with over **10,000 items online.**

▶ Plans to capitalise on its strengths, including **enhanced range** of imported goods, and **continue to expand the capacity** of **seiyu.com.**

▶ Plans to **expand** lineups of globally sourced merchants and introduces them in Seiyu physical stores.

▶ Plans to increase the lineup to some **100,000 store keeping units (SKUs)** by the end of 2016.

▶ Provides pick up service in its **345 physical stores** in Japan's **25 prefectures.**

Note: All dollars are in US funds.

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