



# Regional European Food and Beverages: Big in Japan?

EU-JAPAN Days Expo 2015

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# Market Data FY'13



- Food & Beverage = BIG in Japan
- Total Food & Beverage Market: 23.9 trillion Yen, +2.9% p/a
- Food Market Total: almost 80%, valued at 19.7 trillion Yen, +2.6% p/a
- Beverage Market Total: slightly over 20%, valued at 4.83 trillion Yen, +3.9% p/a
- FY'12: EU was Japan's 3<sup>rd</sup> business partner, Japan was EU's 7<sup>th</sup> partner
- FTA talks (2018): +0.6~0.8% GDP; est. 420K jobs
- EU exports to Japan: est. +32.7%
- Japan exports to EU: est. +23.5%
- \* *EU in Japan Center Market Surveys Online!*

# Market Characteristics



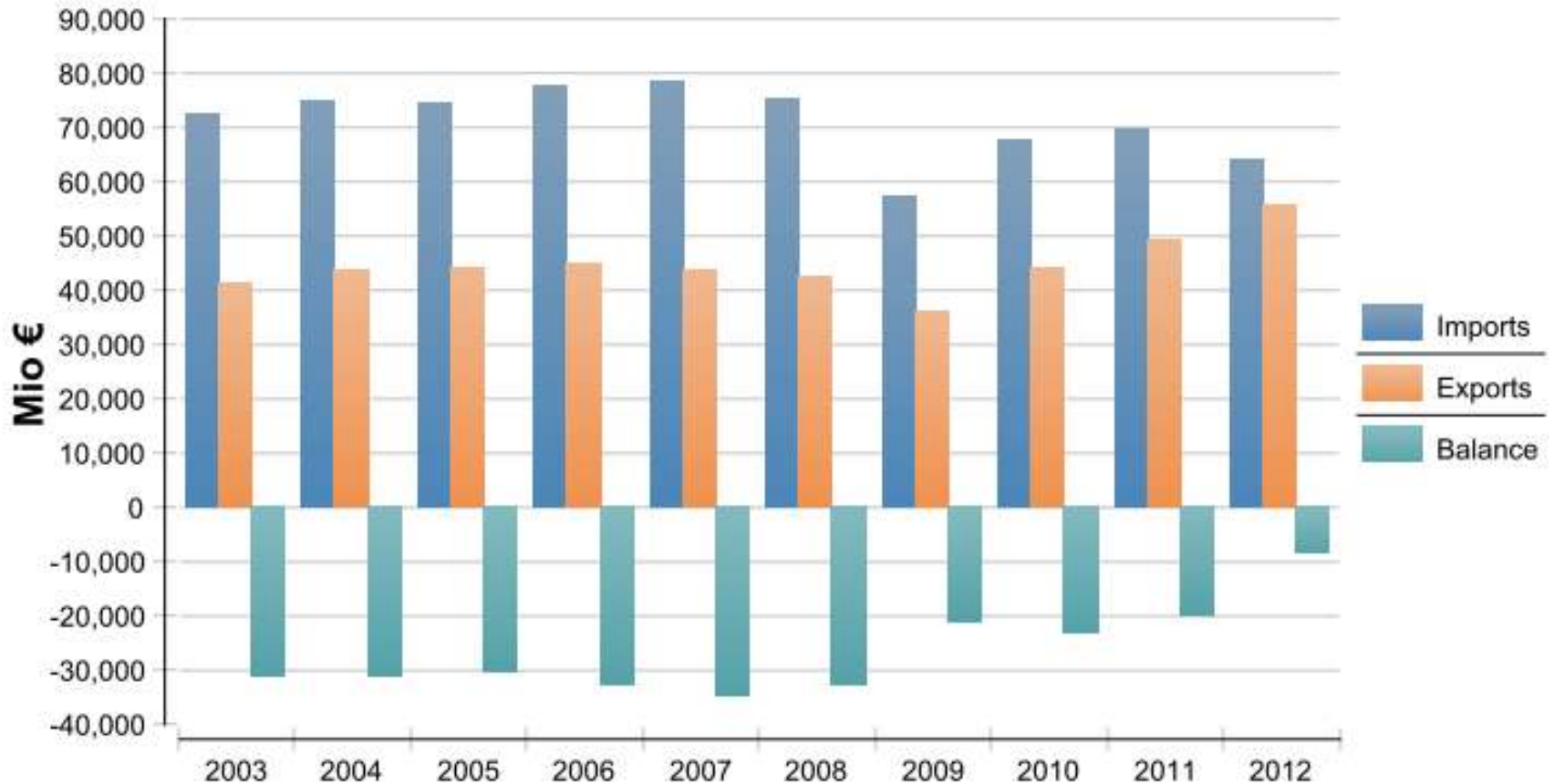
- **Overprotected Domestic Agricultural System**  
(LDP, Nokyo, MAFF, TPP, FTA, Food Dependency)
- **Preference for Genuine Japanese Products**  
(Brand, Quality, Fresh, Domestic, Assurance...)
- **New Food Trends** (Long life expectancy, convenience, healthy, functional, food to go...)
- **Characteristics of Imported & Regional Foods**  
(USPs, authentic, tradition, unique, story, innovative...)
- **Expected Future Market Evolution for Foods and Beverages in Japan** (agricultural business, wine, beers, others vs 'domestic players')

# EU-Japan Trade Chart



Total goods: EU Trade flows and balance, annual data 2003 - 2012

Source Eurostat Comext  
Statistical regime 4



# Distribution Challenges



# SWOT (Strengths)



- Japan's low self-sufficiency food level vs imports
- European Food & Beverages are highly perceived (quality, freshness, safety)
- Organic Foods from Europe
- Smart PR & MarCom strategy for Japan
- USPs of European Food & Beverages

# USPs



- high quality
- traditional-authentic, pioneer (EU quality labels on food like PDO, PGI, TSG)
- hand-crafted, genuine materials, strong geographic characteristics
- eco-friendly
- durability
- recycle, re-use
- universal design
- health-oriented (EU Organic Farming Label)
- no-additives, reduced salt, reduced fat
- no artificial colouring
- no preservatives
- organic materials
- natural ingredients
- fair trade & Corporate Social Responsibility (CSR)
- impeccable service and after-service ....
- \* *Japanese Prosumers*



# Geographical Indication

- PDO: protected designation of origin
- PGI: protected geographical indication
- TSG: traditional specialty guaranteed
- EU Organic Logo

## European Union' s Quality Logos



Protected Designation of Origin (PDO)



Protected Geographical Indication (PGI)



Traditional Specialty Guaranteed (TSG)



Organic Farming Logo

# SWOT (Weaknesses)



- Weak Yen exchange rate
- 45 days sea => 2 months lead time
- Strong competition from Asia + offshore
- Geographic distance at time of claims
- **Language barrier** (both parties communicating in English, their non-native language)

# SWOT (Opportunities)



- ‘develop and import’ business model
- Retail Business Food & Beverages (new specialty stores, CVS..)
- Offshore production & deliveries to Japan
- E-commerce (Rakuten, Amazon Japan, Parcel delivery services...)
- Long-term & loyal + honest partners
- Be big in your niche market segment with decent profit or go ‘small’ in the main market with razor-thin profit margins but big volumes
- Fairs like FOODEX in Japan but also reach out proactively to Japanese buyers at SIAL and Anuga
- FTA negotiations EU-Japan ('13-'18)
- Authorized Economic Operator System (AEOS)
- Innovative food concepts with a story (POMMEKE)

# SWOT (Threats)



- High expectations from the Japanese buyer, prosumer, market in general (damage to outer packaging...)
- Patience is a virtue
- Details is a different league/game in Japan
- Correct/accurate paperwork is a must
- Rigorous incoming inspection (customs, business partner, client)
- Frustration market potential vs actual volume
- The biggest size company is not always the best client (eg. general trading companies)

# POMMEKE

~the real belgian fries~

- POMMEKE Gaienmae (12 Dec 14) and POMMEKE Seibu Ikebukuro (29 April 15)
- POMMEKEs requirements by Lutosa SA (Belgium), 100% bintje
- POMMEKEs are irregular cut styled fries like home, 12/12mm size in thickness
- POMMEKEs contain approximately 96% of real potato mass
- POMMEKEs are prepared according the authentic Belgian method
- POMMEKEs are crispy thanks first & second frying method, oil management
- POMMEKEs are typically yellowish gold with crispy brownish corners
- POMMEKEs are very suitable for to go menus due to prolonged hotness
- POMMEKEs have this peculiar tad of salty twist
- POMMEKEs are sold with home-made dips and side dishes like Flemish Carbonades, Vol-au-Vent, Meatballs in Tomatosauce
- POMMEKEs pair perfectly with our Belgian beers (3 tap & 5 bottles)
- POMMEKEs fries are served in typical cones with a colorful plastic fork
- POMMEKE is a member of Navefri (Belgian Association of Frituur Owners)
- STORY => Press Conference + Press Release => Media Attention (strike, issues, UNESCO, Belgian Pavilion Milano Expo 2015...)





# POMMEKE

~the real belgian fries~





# Hakata Choten

~the real tonkotsu ramen~



# Japan in a nutshell...



- EU: exporting to the rest of the world, we can export to Japan
- Japan: exporting to Japan means you can export to the rest of the world
- EU: preparation is 50%
- Japan: preparation is 80%
- EU: client is king
- Japan: client is god





**Thank you for your attention!**  
**ご清聴ありがとうございました！**

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