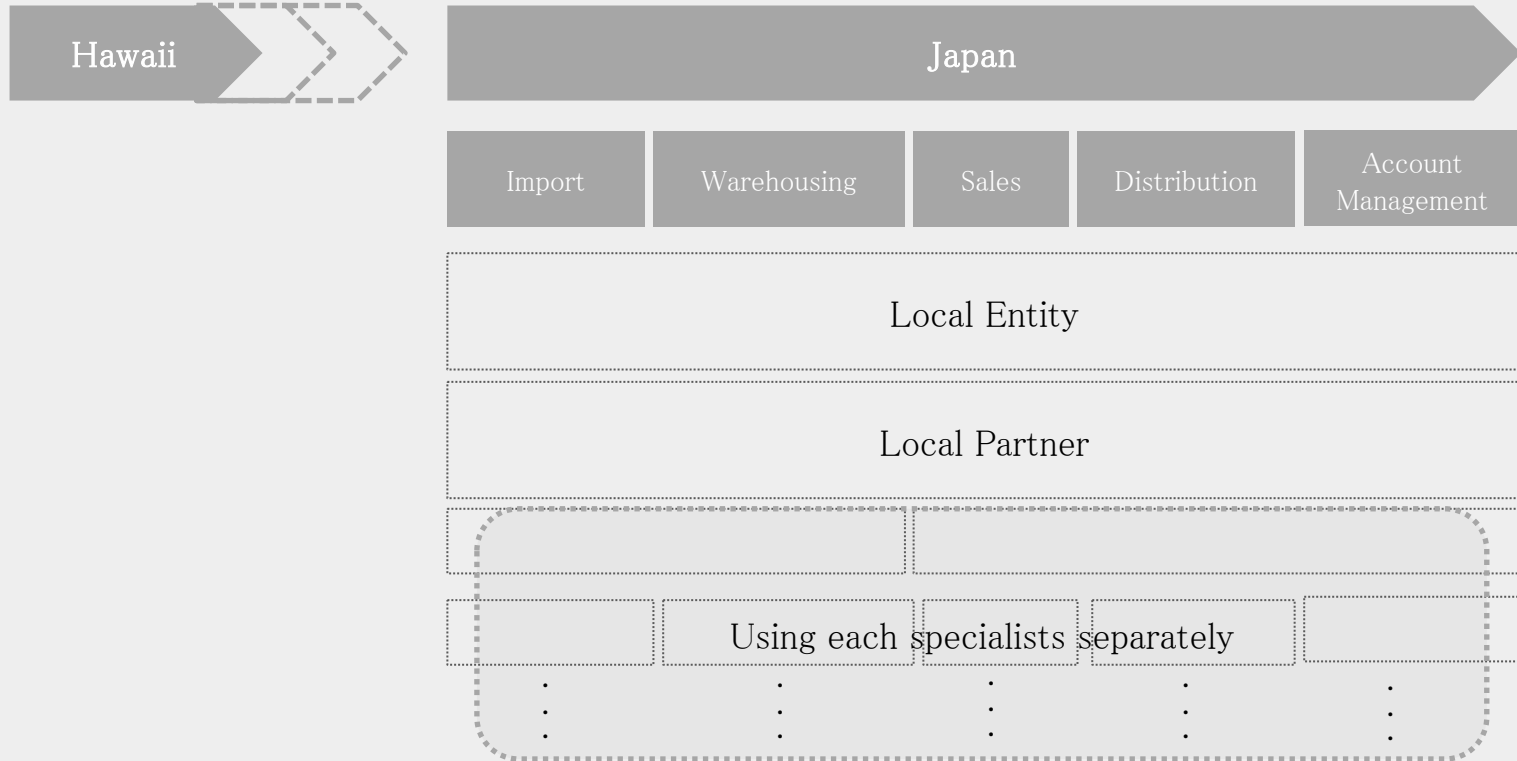


How to Successfully Launch a Brand in the Japanese Market

Saki Igawa

inflorescence, inc.

Ways to do business in Japan



Example : Blue Bottle Coffee (Coffee shop from California)

Blue Bottle Coffee was founded in 2002 by James Freeman in California, USA. From the beginning, we have been deeply committed to quality and continuously strive to offer new coffee experiences for our customers. When opening a new café, we establish our own roastery in the area, allowing us to serve coffee made with freshly roasted beans to ensure the highest level of freshness.

As of October 2024, we have expanded to approximately 120 locations across the United States (San Francisco, New York, Los Angeles, Washington, D.C., Boston and Chicago), as well as in Japan (Tokyo, Yokohama, Kyoto, Kobe, Osaka, Nagoya and Fukuoka), South Korea, Hong Kong and China.



Example : Blue Bottle Coffee (Coffee shop from California)

- Brand launched Japan in 2015. Have set up an entity in Japan.
- The team is more than 300 people now, with 30+ locations in Japan.
- D2C business started around 2019, to create a brand moment with café first, was very important for the brand.
- After Japan launch, we have launched in Korea, Hong Kong, China and Singapore.
- Japan was the first entry to Asia, to grow the brand presence within Asia for the expansion to come.
- Japan also positioned itself as a market to create a playbook when launching a new products globally.



Example : Steven Smith Tea Maker (Tea shop from Portland)

Steven Smith Teamaker was founded in 2009 by modern tea master Steven Smith, who dedicated his life to reviving American tea culture. Known for creating iconic American tea brands such as Stash and TAZO, Smith established Smith Teamaker as the culmination of his lifelong passion for tea. With an emphasis on the highest quality and exceptional craftsmanship, Smith Teamaker brings a fresh approach to the tea industry, embodying his commitment to creating the finest teas.



Example : Steven Smith Tea Maker (Tea shop from Portland)

- They entered the market with D2C / Wholesale business with distribution partner.
- After seeing the demand through above channels, started doing pop-ups in select locations.
- Brand launched it's first retail / café location in Japan this Oct.
- Took them more than 5 years to open a permanent location.

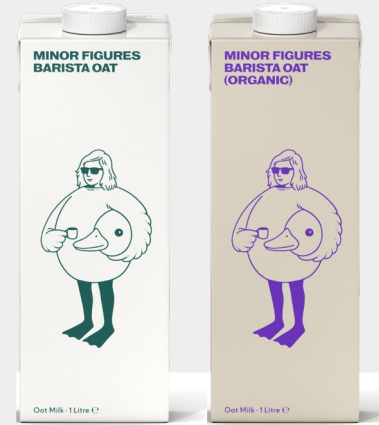


Example : Minor Figures (Oat milk brand from UK)

Minor Figures is a London-based brand specializing in plant-based, barista-quality oat milk and ready-to-drink coffee products. Founded in 2014, the brand aims to complement specialty coffee with oat milk that froths well and balances with coffee flavors.

Stocked in 10,000+ independent coffee shops worldwide with global distribution in 30+ countries.

Company is B-Corp Certified organization since 2022.



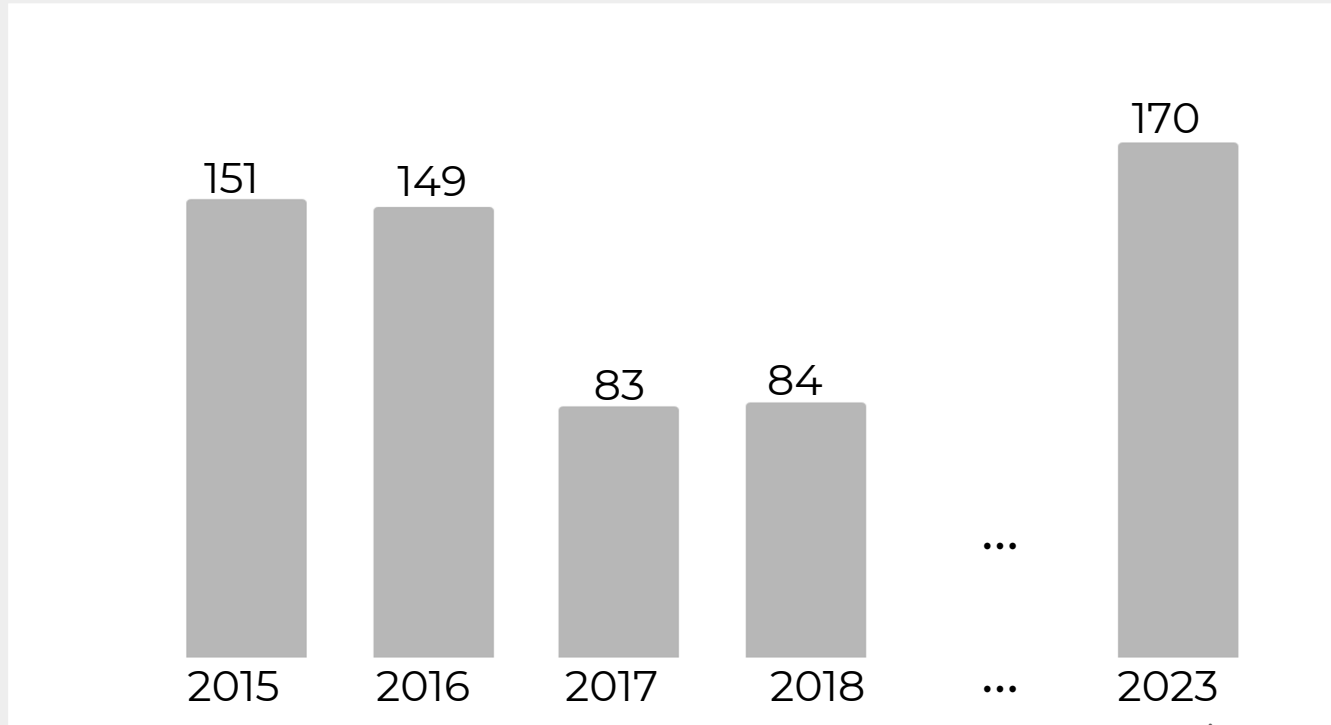
Example : Minor Figures (Oat milk brand from UK)

- Brand launched in Japan since 2019 as a one of the first to launch oat milk in Japan.
- Importer imports / stores the products at their warehouse, one contractor is selling the products into the shops all managed by APAC team sits in UK / AU offices.
- Participated in number of tradeshow, did a lot of activations in the cafes.
- Now the brand has established in the market with good number of customers, currently thinking to set up their own entity.



Trends in the Withdrawal of Foreign Companies from Japan

– In 2023, 170 foreign companies withdrew from Japan.



Number of foreign companies that have withdrawn or dissolved, based on the 'Survey on Foreign Company Trends' by the Ministry of Economy, Trade and Industry.

Reasons for Companies to Decide to Withdraw

1 Low brand awareness / boom does not continue within Japan

2 Strategies do not align with Japanese consumer psychology

3 Struggling to differentiate from other brands

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1 Low brand awareness / boom does not continue within Japan

2 Strategies do not align with Japanese consumer psychology

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→ Important to think long term, create a strategy that's sustainable.

What is your brand identity?



Who is / will be your customer?

Who is your customer now and who do you think will be your customer in Japan?



How would you localize your brand?

- What to change, what not to change? Building a localization strategy.



Examples at Blue Bottle Coffee

What did we not change?

- Coffee sourcing
- Roasting profile
- Drink Recipe

What did we change?

- Café type
- Food offering
- Merchandising assortment

How would you localize your brand?

- What to change, what not to change? Building a localization strategy.



Examples at Blue Bottle Coffee

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What did we change?

- Café type
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→ Don't change your brand identity but change how you deliver the brand.

Ready for a market entry strategy?

- 3- year business plan
 - Define what your “success” look like in 3 years.
- Channel strategy
 - Online : D2C / distribution partner / third-party marketplace
 - Offline : Area / Location / Terms
- Marketing
 - PR / Marketing plan
 - Community engagement
 - Influencer engagement
 - POP UP / Events

But before you do...

Let's make sure you know the 3 important points to enter Japan market!



Brand Identity

Customer Image

Localization Strategy

Thank you!