

Qualitative Research into Japanese Consumerism in Tokyo.

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Abstract

The westerners perceive Japanese to be conservative and hardworking, with little time devoted to leisure and pleasure. However in our observations, there is a paradoxical profile of the Japanese that includes a very leisure, pleasure and entertainment-seeking consumer orientation, much of which is developed and offered through Japanese companies. It offers great opportunities for western businesses to identify the Japanese various needs related to time spent outside work, and develop suitable offerings to achieve a share of the market.

Introduction

Marketing to Japan has been difficult and frustrating to many US and European companies. One factor is the barriers to trade which western companies believe exist, however another is the behavior of the Japanese consumer. Most westerners perceive the Japanese to be conservative and hardworking with little time devoted to leisure and pleasure. However, in our observations this is combined with a profile of the Japanese as a very leisure, pleasure and entertainment-seeking consumer. As we note later there are several other paradoxes that westerners face in attempting to market to the Japanese.

Although what we describe as Japanese consumer and cultural paradoxes are, of course, paradoxes only to the westerner, we use the phrase paradoxes to emphasize the western experience when engaging the Japanese. It is what westerners perceive as paradoxes that cause the most problems for western marketers in new markets.

The important marketing implication of these paradoxes is that anything seen as a paradox is not fully understood. Often, that leads to missing a complete side of the picture. Our opening example presents the common western view that the Japanese are a very conservative hardworking, hard to access consumer, however on close observation they are highly leisure, pleasure, out-of-home dining and entertainment loving. We will, in the rest of the paper, show some of our observations of the Japanese consumer lifestyle that are missed by many businesses who insist on working at a distance in the US and Europe.

The main paradoxes for westerners that we will present are as follows:

- the contrast between the hard working and fun-loving nature of the consumer,
- the gender equality/inequality space,
- the high level of presence of spiritual places, without evidence of spiritual engagement in society,
- the publicly conservative yet privately permissive behaviors accepted, and
- the contrast between the very high levels of service in some activities and very low levels in others.

Dramatic changes have occurred in Japanese and, in particular, Tokyo life. The macro economic changes so well documented in the press have changed many aspects of daily life in Tokyo. The collapse of the bubble economy in the late 1980s led to a reappraisal of many practices, and eventually, to the appointing of an American president to Mazda Motors, and a French president to Nissan. Although awareness of the economic effects is widespread in Japan, there does not seem to be a sense of injury in the people, or in the media. Yet, one trend resulting from the collapse of the bubble is an increasingly global perspective in business.

Two North American business professors spent four months in Tokyo in the fall of 1999 and observed the Tokyo lifestyle from the context of a marketer and advertiser. Tokyo consumerism was observed through public images from an informed and theoretical stance. This paper is structured around aspects of Tokyo public life that impact the development of marketing strategy. Photographs are used to document the public context of daily life in Tokyo, a few of which are attached. This observational research can be an excellent basis for further study by company executives and researchers who are interested in furthering their effectiveness in Japan.

Hard Working yet Fun Loving, Paradox

The first paradox is our opening observation that the Japanese are as interested in recreation as in work. Adults are observed to work very long hours and finish late at night. Some of whom then move directly to restaurants and bars for eating and entertaining. It is common to see people working late, and common to see them in subways going home on late trains. In between these times it is common to see bars and restaurants full. People work late, transit into bars and restaurants and are up early to get to work early. Wives are rarely companions with their husbands at business meetings and entertainment, which usually have only business people.

There are a wide variety of non-Japanese restaurants from many different ethnic groups (French, German, Swedish, Indian, Thai, etc). Western businesses have not fully exploited the eating-out demand in Japan, which has a much larger demand than in the west. The Japanese are an out-of-home eating society. In particular, the Japanese seek variety and novelty and an effective provision of both has large potential for success. Liquor selection is large, prices are reasonable, but bottle size is larger than we see in the west. The Japanese are a heavy-drinking consumer, however the US product selection is not strongly visible or available. Also, it is the lower quality US wines that are available, although pricey. Lots of Chilean and Australian wine are displayed at better value. Karaoke bars are very popular (go figure!) and most have a cover charge (photo 1).

Many workers work part of the day on Saturday also. Presence at home during the week appears to be limited, so television watching is low during the week for working people. So, advertising on television has limited reach to working people during the week. As part of this pattern of television viewing, it seems that there is no equivalent in Tokyo, of "ER", or "Friends", on television, in the sense of people making sure to be home in time to watch and discuss the following day. The best connection to this class of people is by billboards and signs on the street and in the commuting facilities including train interiors. An interesting example was observed with the GAP, who blanketed entire train interiors (11 cars, all signage -- about 48 wall-mounted and 20 hanging posters per car) with advertising signs for the

product line they were promoting for the season (photo 2). GAP is the only company we observed going to this extreme.

Print advertising is intensely used. Many public areas, such as subways are cluttered with ads (photo 2). Ads hang from the ceiling, and are attached to the walls and doors. The quality and design is generally very professional, however the visual clutter is extreme. Leaflet distribution is pervasive and normally includes a leaflet attached to a small packet of tissues and other small promotional incentives.

Some technologically advanced forms of communication in these sites was observed. First, in major city squares (for example, Shinjuku, Shibuya, Roppongi, Ginza, etc.) massive video screens (20x30 ft.) are constantly projecting advertising messages in a very clear and attractive manner. In some subways, video monitors are being introduced for advertising messages, replacing the signs on the wall, although not those hanging from the ceiling.

Some younger Tokyoites (20ish) let their hair down on weekends at Yoyogi Park by dressing up in a wide array of unusual costumes ranging from fetish/bondage to Raggedy Ann wanna-be dresses (photo 3). The costumes are generally intense and quite sophisticated and the site is covered with bands, mime troupes performing, as well as groups of costumed people just being there. It looks like a Halloween party every Sunday. For the most part, these are people who have office jobs during the week and this is a form of self-expression for pleasure. It is an interesting contrast that families pass through the same milieu, some in highly traditional outfits such as kimono, going to the Meiji Jingu, a major Shinto shrine in the center of Tokyo.

Observations developed by exploring the paradox of the hard-working Japanese include, for the adult worker the main communication space is the transit corridor between work, home, and entertainment. Also, entertainment is compressed in time and space, but not in importance.

Gender Equality/Inequality, Paradox

The western sense of paradox is also evident when examining the place of women. The western perception of Japanese women as powerless is not true. Japanese women occupy a different space in their society than western women in theirs. Just as in the west, however, that place is both highly segmented and a moving target. New patterns are emerging, however, which are recognizable to westerners. In particular more and more women are entering the workforce in the management ranks (an opportunity for American designers like Donna Karan, Ralph Lauren etc.) although still less than 50% of the women work.

It has been often observed in the west that Japanese women have less power and authority than western women, however in some ways they have more. One paradox of gender relations is that women are less present and powerful in public, but much more powerful in family life than western women. In particular, the housewife is very clearly the controller of the household and its finances. The dominant pattern is for the husband to turn over his paycheck to his wife and be given an allowance. In this traditional arrangement women are much more dominant for household-related purchase decisions than western wives. Thus marketers should be focussing mainly on housewives for these categories. Yet, there is some small indication of a move to progressive western-style responsibility sharing among younger couples. You do see men carrying babies and apparently taking on other traditionally female responsibilities in the progressive western style, although the frequency is low.

A very high proportion of women are very well dressed. They are observed in dress from formal to conservative and carefully put-together. Women are occasionally seen in Kimono, especially in the evening or on the weekend. Men are rarely seen in traditional dress. There are very few ill-dressed. For example, it is very rare to see unpolished shoes worn by anyone (subway observation). During the night there is a change to a more fashion oriented dress, especially for the women and teens. For example in photo 4 we see three young women in the Shibuya area colorfully dressed in mini-skirts, very high platform shoes and distinct translucent makeup.

Patterns of life are changing also. The average age at first marriage for women is getting later and is now near 30 years of age. The divorce rate among older couples has doubled in the last decade (Bremner, et al, 1999) and younger women are increasingly disenchanted with the life of a salary-man's wife. The common assessment is that Japanese women are getting more resistant to traditional housewife role expectations and are seeking higher education and professional careers.

The changes noted above and many others will impact consumer behavior and lead to greater marketing opportunities for western products catering to this lifestyle. More goods will need to be targeted at independent women such as automobiles, vacations, personal care, apparel, entertainment, eating out. Another aspect is that the dating phenomenon will extend from a youth oriented society to an older society, drawing with it the products needed for that type of life style.

One significant opportunity is that since beer is often consumed by Japanese women (as explained below), the increasing participation of women in work, and presumably in the after work eating and drinking, will increase the consumption of beer by women. Further one observation is that some products that have a strong gender identification in the US do not have the same identification in Japan. One example is beer. It appears that Japanese women drink beer often, and that it is not identified with the macho male lifestyle. Beer advertisements are observed to be mainly taste focussed, and either gender neutral or oriented to women (photo 5). With a change in women's lifestyle this has the potential to increase beer consumption, including new brands and advertising. Cigarette advertising to women and men appear to be equal in volume.

One implication of the changes in women's participation in the work force is the growth in work related fashion. The Japanese extension of work into the evening for eating and drinking coupled with the observation above of the highly-developed fashion sense of Japanese women may lead to an increase in both day and evening wear, or a greater growth in work wear that is also fashionable for evening. Donna Karan and Ralph Lauren are already strong in the high-end department stores and there may be more room in this segment.

Observation developed from the western sense of paradox are that women are by far the dominant force in all household purchases other than automobiles, and that they are fashion driven.

Spiritual places -- yet no Spirituality, Paradox

Westerners experience a sense of paradox when faced with the relation between Japanese and spiritual matters. Although there are a very large number of spiritual images and places, there

does not appear to be a significant spiritual core of beliefs to the Japanese populace. Shinto shrines and Buddhist temples draw large crowds, especially on holidays, and children are taken to shrines on certain birthdays, and when born. Both Shinto and Buddhist shrines emphasize fortune-telling and good luck (photo 6). Traditional Shinto weddings take place at shrines, yet, pseudo-Christian weddings dominate the market and are intensely advertised. Some of the main temple complexes have extensive commercial centers attached to them (photo 7).

The implication for behavior is that there are few strong prohibitions on behavior in the current era. For example, sex outside of marriage, although not openly conducted does not have the stigma of sin attached. This concept will be developed further in the next section.

To the Japanese, Christmas is just a fun gift-giving time with no spiritual implications, and the Japanese quite like the images and practices of the holiday. One of the most popular images this year in Tokyo was a dancing Santa doll in the store windows (photo 8). There are significant opportunities for more extensive Christmas merchandising as well as the possibility of other western holidays that contain the same spirit of fun such as Easter Valentine's Day and Halloween. The secular portions of Easter, such as colored eggs, chicks and bunnies can easily be marketed to families with kids. Likewise Halloween, which exists to some extent, could be developed.

Paradoxically, even though the Japanese appear to be a very conservative and traditional culture, they also appear to have few problems accepting a variety of cultural practices.

Publicly Conservative -- Privately Permissive, Paradox

Westerners are particularly fascinated by the seeming difference between the conservative and traditional behaviors practiced by many Japanese and the acceptance of a wide variety of private behaviors. Although a conservative society (birth control pills were legalized only in September 1999) unsupervised vending machines sell pornography, cigarettes, and alcoholic beverages on the street.

The relationship between patriarchy and sexual domination of women by men plays out differently than the US. Sexual acts are not connected to other behaviors in the same way, nor are there the same set of understandings about the moral or ethical implications of sexual acts or other related behaviors. One paradoxical example is that sex is used much less in advertising in Japan than in the USA.

The main demonstration of the differences can be observed in the hostess-bar industry. Hostess bars exist as a very well organized and marketed adult male focussed business aimed at both Japanese business entertainment and the general Japanese male life style. There is, however, at least one major women oriented "host-bar" which appears to operate in the same manner.

Although mainly Japanese women, there are large numbers of foreign women including Chinese, Philippino, as well as eastern European and Russian. These bars use all the traditional marketing and promotional tools. All this is seen in a very public and open way in the very well known Kabukicho section of Tokyo, as well as others including Roppongi and Shimbashi.. There is price discrimination based on time of day and type of service provided

discount sales promotions and professionally created signs, posters and pamphlets etc. are used.

Service -- Overwhelming or Nonexistent, Paradox

Oddly enough, one set of paradoxes surrounds the issue of service. The Japanese are usually seen to give higher levels of service than in the west, however this is not universally true, and some basic levels of service are not seen. One of the main examples is that the ability of retail customers to return merchandise is limited. It is not easy or possible to return or exchange a product after purchase. On the other hand, subway window clerks will readily refund or change tickets, even a ticket that has been mistakenly miss-used can be refunded (photo 9).

In most stores purchases will be well wrapped, and if you say they are presents, the clerk will wrap your purchase as a present, with no additional charge. The amount of paper you end up with can be so large as to cause westerners to have environmental qualms. The major exception is supermarkets, where service is less than in North America. You usually have to bag your purchases yourself and are given only 1 or 2 plastic bags to do so.

Personal service is always more intense than in the west, and can be extremely overwhelming to westerners in some situations. In general a shopper will be welcomed into smaller stores, and welcomed into each department of larger stores by every staff member in visual range, sometimes simultaneously. The same applies to restaurants. An extreme case can be seen in the food sections of the major department stores. These departments are usually in the basement, and are enormous in size, presentation and variety. The departments are behind counters, and average 1 employee every 10 linear feet, and often with dedicated cash register operators behind the counter staff. The service is extremely attentive, which creates the feeling of being in an extraordinarily lush food festival.

Menus at foreign fast-food restaurants seem to be modified for local tastes in most cases, however, Starbucks is doing well with a strong US format, including the (rare in Japan) no smoking policy. Others modify the format extensively. Denny's is popular but with a more upscale décor and menu than in the US. KFC (Kentucky Fried Chicken) has managed to convince the Japanese that fried chicken is the ultimate Christmas dinner, and reservations for take-out meals on Christmas have to be made far in advance (there are boards outside the stores showing how many meals are still available). It is fascinating to realize that US style fast-food chains succeed by offering Japanese class service, but faster, at lower prices.

Some General Observations

An unequivocal observation is that the Tokyo consumer is focussed on quality in consumption in all aspects. Products in stores from consumer goods to produce in the grocery appear to be of the highest quality and well-presented. The city is clean and always kept tidy, even though one does not find many trash cans. Restaurants are clean and well-kept with the food presented artfully, even in lower-priced sites. In supermarkets the food is displayed in an attractive manner. Especially the produce, meat and fish counter are fresh and clean and displayed in an appetizing manner, with an astonishing variety. This manner of merchandising the supermarket surely means that the supplier chain must be well developed and quality focussed.

Consumers also seem willing to pay high prices for quality. They prefer high quality in the

product, and service, including wrapping and packaging (The Nikkei, 1990). Product variety is astonishing. The number of different products and brands for most items is extremely large. For example, it is common to see vending machines with more than 15 different drink products (after eliminating duplicates).

Technology definitely plays a significant role in marketing, and Japan seems to be a technology leader in many product categories. For example, there are vending machines with both hot and cold drinks in cans. Personal stereo is extremely common, and the use of remote controls (to allow listening on the packed subway where you may not be able to reach the unit) is pervasive. Several competing networks provide cell phones to more than 50% of the population. Teenagers, like those seen in photo 4, are known to have over 100% penetration of cell phones, and video cell phones went on sale in October 1999. In Tokyo the market penetration is larger. Almost anytime you are on the street you can see several people in your field of view talking on their cell phones or using e-mail. Some systems have internet access for browsing or e-mail and some classes of consumers (mid-twenties women in particular) are in almost constant contact through this medium.

There is a pronounced western flavor to advertisements in all media. The western content is usually one of the following: product name, a western model, a tagline, a slogan, western script for company name, or a western location. Examples of western models include big names such as Tiger Woods for Wonda canned coffee, Stevie Wonder for Fire canned coffee, Anthony Hopkins for Honda automobiles, Jody Foster for Pasona, Cameron Diaz, Celine Dione (English language training institute), Meg Ryan for Suntory bottled tea, Whitney Houston etc). For the most part the foreign connection is emphasized for products with a foreign identification. For example, beer cans tend to use quite a lot of English, and our Japanese contacts felt that it gave a foreign feel. Also, bottled tea labels use a lot of Chinese characters because of the association of tea with China. Our Japanese contacts felt that that too was foreign, and in fact, they could not read most of the label because it lacked the Japanese modifiers needed to relate the Chinese characters to each other. Our Japanese contact felt that having the foreign symbols indicated higher quality if the foreign language was related to the source of the product.

Conclusions

Close observations of the Tokyo consumerism environment by two business professors during the fall of 1999 led to several suggestions regarding business and marketing opportunities. The Japanese in Tokyo appear to be very hard working, yet they also appear to enjoy life to the fullest. They eat and drink well as well as enjoy the pleasures and recreations that make life fun. Western products and services don't appear to have made a significant presence in Tokyo. Some exceptions are Western fast-food chains. They appear to be doing well by offering Japanese levels of service at a very competitive price directly to the retail consumer. This is achieved through controlling the distribution chain, or connecting with local partners, which appears to be one of the success factors in Japan. Combine this with the Japanese preference for established brands suggests a strategy for western businesses. Set up retail stores, for example GAP in Tokyo (photo 10), and work very hard to establish them. Then rely on the brand awareness to penetrate the distribution chain with a known and desirable product. The critical factor to penetrate the Tokyo market is understanding the consumer, not only through long distant research and interpretation but most importantly through close observation in the city/country (Tokyo/Japan).

Japan is an attractive market. Before entering this market it is imperative that foreign executives understand the culture of consumerism of this rich landscape before committing their company resources. Japan is a very traditional and conservative society that has developed a consumption pattern that blends the west the unique Japanese unique culture. It is strongly recommended that marketers responsible for doing business in Japan should live in this environment for a period of time to understand how to adapt their business and product to this very unique rich and prosperous market.

This is a first, observational and experiential examination of the Japanese market. The researchers plan to extend this to developing relevant hypothesis for further investigation to develop this research stream. Furthermore, this is presented for the consideration of academics and practitioners for their research and consideration.

References

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Photo 1



Photo 2



Photo 3



Photo 4



Photo 5



Photo 6



Photo 7



Photo 8



Photo 9



Photo 10