

## Japan Market Overview

At 127 million people shoved into area slightly smaller than California, Japan's population is just under half that of the United States, with Tokyo-a high-tech metropolis of 28 million consumers-the largest city in the World. Fewer than 25% of Japan's people live in rural areas. The economy of Japan is the third largest in the world after the United States and the People's Republic of China, ahead of Germany at 4th. According to the International Monetary Fund, the country's per capita GDP was at \$32,608 or the 23rd highest in 2009. Japan is known for its economic strength.

The popularity of Japanese cars, electronics and computer products propelled Japan's economy into the top three in the world, alongside the US and China. Japan is the United States' fourth largest export market, after Canada, Mexico and China, and the second largest foreign investor in the United States, with more than \$200 billion invested, second only to the United Kingdom. In 2008, according to U.S. Census Bureau data, the United States had a year-to-date trade deficit with Japan of \$72.7 billion, a decrease of 12.2 percent from 2007. U.S. exports to Japan totaled \$66.6 billion, while U.S. imports from Japan totaled \$139.2 billion



## Japan's Digital Society

Japan is one of the world's most wired countries in the world. Its digital society continues to grow and shape the way Japanese live and communicate every day. Just a glance at the numbers will tell the story:

- 90% of households have internet access
- 65% have broadband access
- Most internet access is conducted by mobile phones
- If you break down the top 100 cities based on maximum throughput, Japan has over half (59) of the fastest 100 cities in the world
- 96% of all mobile handsets have built-in QR readers
- Since 2006, Japanese have had access to cost-free digital terrestrial mobile TV
- most mobile handsets have built-in RFID chips

\* You can also use the mobile phone to make a phone call...if needed



The growth PC and mobile social networks provide Japan a virtual extension to its traditional emphasis on personal relationships. Social media has redefined how conversations happen with key constituents — customers, prospects, investors and partners, the nature of these interactions change. From a one-way, controllable monologue to a two-way dialogue with multiple touch points and dispersed audiences.

- approximately 45 million people use social network services
- Japanese are the most active bloggers worldwide
- Japanese is the No. 1 language used in online blogs
- Mobile & internet ad spending on the increase
- Cloud computing-related business is expected to create a market with a combined value of more than 40 trillion yen by 2020
- Traditional print ad spending on the decrease

# Japan Insights

## Japan Media

Journalists tend to reflect the prevailing ethic in Japanese society overall: to promote a harmonious society with minimal conflict. For many Westerners, this is in stark contrast to the more aggressive scoop hunting style of reporting found in the United States, and much of Europe, where confrontational debate is considered natural, even desirable, in fulfilling their societal role.

Japan is a heavy media consumption country. It has Asia's highest rate of television penetration, and also one of the highest ratios of newspaper readers at 584 copies per 1,000 compared with 244 newspapers per 1,000 in the US. A highly urbanized society, most Japanese use public transportation and commute several hours each day on mass transit. It is quite common for a typical Japanese businessperson to read two to three or more newspapers during their daily commute. Ninety-three percent of Japanese households get their newspapers at home. Most newspapers sold at newsstands are actually sports and entertainment dailies with a mix of racy contents.

The media often are fairly cooperative and fairly compliant once you have established relationship. Journalists at major newspapers generally may not trust news releases, but those at small, less influential magazines readily accept news releases, especially if editorial copy is accompanied by paid advertising. It is usually the tabloid press that breaks most scandals.

There are five national TV companies, broadcasting terrestrially, of which the largest is the NHK Japan Broadcasting Corporation. While TV is still dominated by the five national TV companies, Japan's broadcasting is diversifying rapidly with the growth of satellite and cable channels.



### KEY TIP:

#### Japanese Press Profile

- Japanese-language based
- Japanese-language press materials
- Interpreter needed
- Face to face communication
- Cold calls can be awkward and not common
- E-mail used regularly after initial relationship is established
- IT publications-less conservative while Newspaper dailies more conservative
- Field rotation-changing journalists beats every year or two
- Editorial calendar confidential not public
- Tokyo-centralized media