

# Engaging with Japanese Consumers

Why Storytelling Wins in Digital and Social Media



May 23, 2023





# **Today's Agenda**

- Brief Introduction
- Understanding Japanese Consumers
- The Power of Storytelling in Japan
- 4 Engaging on Digital and Social Platforms
- 5 Building Trust and Relationships
- 6 Q&A

# **Today's Speakers**



**Robert Heldt** 

CEO & Co-founder Custom Media

robert@custom-media.com

https://www.linkedin.com/in/robertheldt/



Sam Bird

COO Custom Media

sam.b@custom-media.com

https://www.linkedin.com/in/samuelbird/

#### Who We Are

Custom Media is a multiple award-winning, bilingual, digital creative and strategic communications agency for market entry and expansion in Japan. For 15 years, we have helped foreign businesses succeed in Japan.

We help bridge the gap between global brands and the fickle, demanding Japanese market with international perspectives, innovation, and extensive local knowledge.



<u>A</u>DOLFO<u>D</u>OMINGUEZ



dermalogica









#### We are Integrated

As a full-service integrated marketing agency, we pride ourselves on our ability to seamlessly blend our expertise across four key domains - Communications, Creative, Digital, and Media - to deliver results-driven strategies tailored to your unique business objectives.

Partner with us and experience the power of a fully-integrated marketing strategy that drives real results.



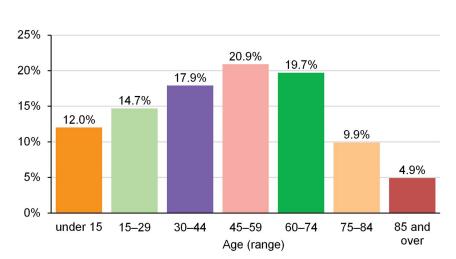


## Japan is aging, has growing disposable income

The largest portion of the Japanese economy is made up of middle-class consumers that have a considerable amount of disposable income

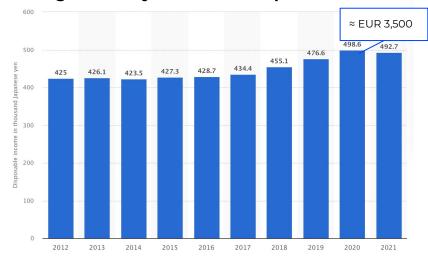
https://marketplace.rakuten.net/blog/customer-expectations-and-behavior-in-japan

#### Japan age breakdown, 2020



https://www.britannica.com/place/Japan/Demographic-trends

#### Average monthly household disposable income



https://www.statista.com/statistics/856571/japan-annual-disposable-income-per-workers-household/

### Consumers are open to new, quality products

Quality standards and service expectations (sales process, delivery, packaging, after-sales service, etc.) are high in Japan.

There is a **strong desire for new products** and generally consumers adopt brand innovations, though loyalty is declining.

Nearly three quarters of consumers inquire with social networks before buying certain products, especially cosmetics and fashion.

Japan is the **third-largest luxury goods** market in the world after the United States and China.

Japanese consumers are very open to buying international brands for everyday consumer goods and are generally attracted by products imported from countries perceived as "specialized," such as Swiss watches, French wines and German cars.

Japanese customers prefer products that are packed with special features or **value-added qualities**.

https://santandertrade.com/en/portal/analyse-markets/japan/reaching-the-consumers https://japanintercultural.com/free-resources/articles/feature-packed-koseino-products-a-hit-with-shoppers-in-japan/

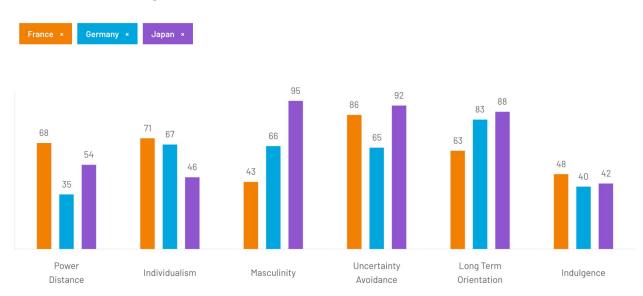
#### **GROWTH SECTORS**

- Games consoles
- Watches
- Mobile phones
- Household appliances
- Electric personal care appliances
- Dining room furniture
- Ready meals
- Japanese clothes
- Amusement parks
- Sports services
- Veterinary services
- Personal care services
- Hygiene products
- Services for the elderly
- Educational goods and services



# Perfect presentation counts

Comparing countries across cultural dimensions according to Hofstede's Insights



#### Masculinity

"What you also see as an expression of masculinity in Japan is the drive for excellence and perfection in manufacturing or production and in material services (hotels and restaurants) and presentation (gift wrapping and food presentation) in every aspect of life."

Reference: https://www.hofstede-insights.com/country-comparison-tool?countries=france%2Cgermany%2Cjapan



# Understand Japan's culture and values

- Respectful of history and tradition
- Group-oriented culture
- Avoids uncertainty



# Implications for brands

- Be patient and persistent
- Consider aesthetics and design
- Focus on the details
- Deliver on high expectations for quality and customer service











# Leverage storytelling traditions

Stories: they...

...help preserve history, transmit values, and foster creativity.

...create engaging and resonant connections with consumers.



# Authenticity and being detail-oriented

**History:** Share your founding story, highlighting the years of experience that gets passed on through the products.

**Process:** Highlight product quality through well-selected ingredients or materials and meticulous methods in creating the product – your production process.

# KitKat's new tradition

"Japan: a culturally complex society with an incredibly aggressive retail market. Here, the problem isn't getting shelf space, it's keeping it.

For KitKat the solution wasn't to fight the battle on the shelf, it was to create an entirely new way to rediscover and experience the brand."





















# Tiger Beer – the courage to be different

Deviating from conventional celebrity endorsements by Japanese beer brands, Tiger Beer Japan has given a voice to up-and-coming artists who demonstrate YŪKI (courage) and are not afraid to be stand out and be different.



https://www.tigerbeer.com/jp/en/yuki





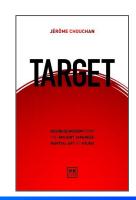


## Godiva – thinking local

Godiva Japan targeted a variety of demographic segments in different sales points, acquired new customers and created a moment of luxurious consumption for all ages.

Within Godiva's global enterprise, Godiva Japan became number two in terms of worldwide sales and number one in terms of profits. It exported made-in Japan products and concepts to Godiva's other markets.

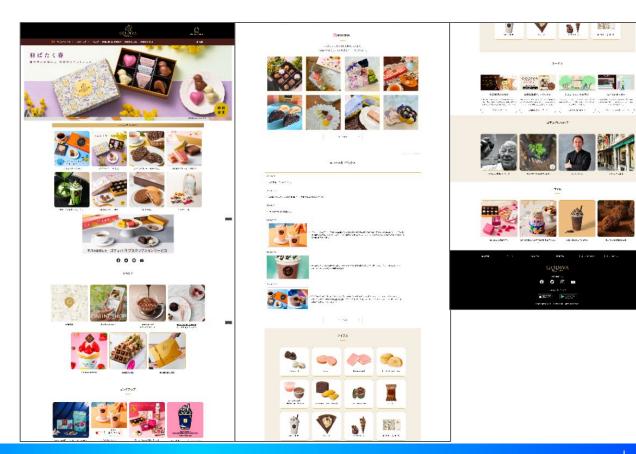




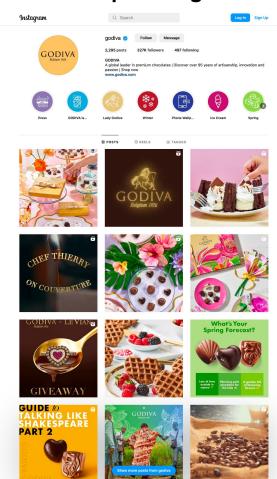
#### **Godiva Netherlands**



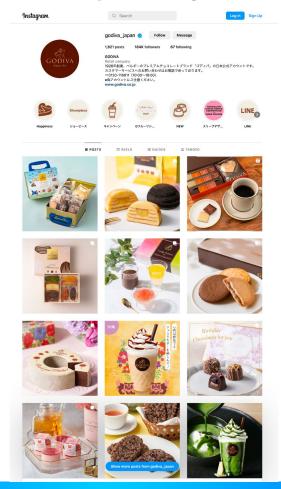
#### **Godiva Japan**



#### **Godiva Europe Instagram**

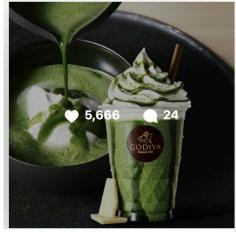


#### **Godiva Japan Instagram**



#### **Limited edition products**









#### View more on Instagram

22,860 likes booboo.piyo

PRです

森永製菓さんのサンデーカップのPR漫画を かかせていただきました

こっくり甘いパニラとパリパリ食感のチョコレートの ハーモニーがたまらないですね。 ポリュームたっぷりなのも嬉しいね☆

食べ終わったあとのカップは洗って 娘のオモチャになりました⊌

ガク子はアイスクリー上大好きなんですが ポリュームたっぷりアイスを見せちゃうと 止まらなくなっちゃうるぜんぶー人で食べたい! (そしてご飯が食べられなくなる...) もう少し大きくなるまではナイショのアイスにしておきます...・シ 大きくなったら一緒に食べようねでき

0

#サンデーカップ#PR

View all 104 comments

Add a comment.







# Manga artists as influencers

Morinaga, a leading manufacturer of snack and confectionery products, collaborated with a popular manga illustrator, Booboo, who has 319K followers. He drew an illustration about the products with story-like content that engaged his followers and made them laugh.

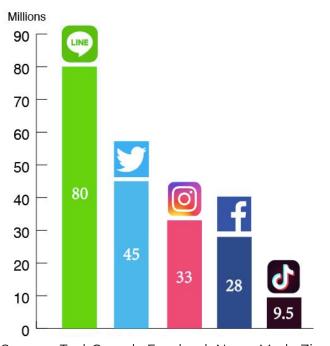
Comments from followers:

"When I see his promotions, I don't know why but I always want to try them."

"Even though it is promotional, I always forget it's an ad."

# Ten tips for engaging on social media

#### Top 5 social media platforms in Japan (MAU)



Sources: TechCrunch, Facebook News, MarkeZine

- 1. Localize your content
- 2. Adapt visuals to align with Japanese aesthetics
- 3. Use the right channel for your audience
- 4. Build relationships through active engagement
- 5. Leverage influencers to raise awareness
- 6. Tell stories with emotional appeal
- 7. Use contests, giveaways
- 8. Align your social calendar with local events
- 9. Use local hashtags
- 10. Take a data-driven approach





# Building trust and relationships

- Consistency and Reliability: Deliver on your promises, be transparent about changes and issues.
- Personalized Communication: Tailor your messages and offers to match your audience's interests.
- Respectful and Polite Language: Use honorifics and polite language.
- Long-Term Perspective: Demonstrate your commitment through loyalty programs or special discounts for repeat customers.
- Exceptional Customer Service: Go the extra mile to resolve issues effectively.



### **Attention to detail**

- Cultural Sensitivity: Avoid stereotypes, offensive imagery, or anything that may be perceived as culturally insensitive.
- Quality and Attention to Detail: Consistently deliver products and services of the highest quality to maintain customer trust and satisfaction.
- Consistent Brand Voice and Messaging: A consistent brand voice fosters a sense of reliability.
- Localization: Adapt your messaging to resonate with Japanese consumers, taking into account their values, preferences, and interests.
- Regular Market Research and Adaptation: Stay updated on market trends, consumer preferences, and changes in the competitive landscape.







### In summary

- Consider Japan's unique cultural norms and values.
- Language, aesthetics, and social norms differ in Japan.
- Leverage storytelling to create meaningful connections with consumers.
- Tailor your approach on digital and social media platforms.
- Building trust and relationships is key to long-term success in the market.
- Consistency and attention to detail are important to Japanese consumers, from messaging to customer service.



# Make the Right Move!

Get in touch with us today for a

#### **FREE Strategy Session**

Email: inquiries@custom-media.com

In our session we can help you to identify:

- The 3 most lucrative opportunities for your brand
- 2. How Japan-Ready is your brand?
- What your Go-to-Market Strategy roadmap may look like for Japan

See more case studies at **custom-media.com** 



## **Market Entry: Our Proven Process**

Phase 1: Market Scan Phase 2: Growth Strategy Phase 3: Implementation

Duration: 4-6 weeks

Duration: 3-5 months

Duration: ongoing

Get in touch with us today for a

**FREE Strategy Session** 

Email: inquiries@custom-media.com



**Thank You!**