

TOP 10

JAPANESE HEALTH AND CONSUMER TRENDS

The Japanese economy may be sluggish, but the country's health food, nutrition and functional foods sectors are holding steady, with 10 key trends affecting the market.

by Gary Scattergood at NutraIngredients-Asia.com

1 AGEING SOCIETY

Japan is an ageing society, with fewer children and a declining birth rate. The population's ageing members will support the demand for more healthy foods and functional products.

2 INDIVIDUALIZATION

This is leading to an increase in single-person and elderly households, creating many more occasions when people eat or snack alone. This means there is a greater need for the personalisation and individualization of products.

3 NEED FOR CONVENIENCE

There is a growing need for convenience, and ready-to-eat products, which have functional benefits, especially as the number of working women continues to increase.

4 FOOD SAFETY CONCERNS

Food safety and food security is a growing area of concern for Japanese consumers, both on a domestic level around nuclear radiation, and internationally because of tainted food scandals.

5 A DIVERSE DIET

The Japanese diet continues to diversify. People are increasingly willing to try new and innovative products, especially if they have functional potential.

6 CONSUMER SENTIMENT

On an economic level, businesses need to be aware of a lingering decline in consumer sentiment due to the country's consumption tax hike in 2014 (from five to eight per cent).

7 RELIANCE ON MASS RETAIL

The increasing reliance on mass retail stores and a burgeoning private label sector means products without clear health benefits can struggle to charge a premium.

8 NEW PRODUCT DEVELOPMENT

This is leading to many manufacturers to focus on NPD, but few of these products have long staying power.

9 LOWER MANUFACTURING COSTS

The deflationary economic environment is increasingly seeking manufacturers to consider lower ingredient and processing costs to remain competitive. This could well provide a growing number of opportunities in emerging Asian countries.

10 NEW OPPORTUNITIES

The changing regulatory landscape in Japan is providing new opportunities. The more relaxed Food with Functions Claims rules, introduced last year, are less stringent and increase the marketing potential for foods with health benefits.

