

Retail in Japan

February 2024

Table of Contents

Retail in Japan

EXECUTIVE SUMMARY

Retail in 2023: The big picture

Private label development key for retailers to stay competitive

New regulation on stealth marketing (Endorsements and Testimonials in Advertising) impacts e-commerce and direct selling

What next for retail?

OPERATING ENVIRONMENT

Informal retail

Opening hours for physical retail

Summary 1 - Standard Opening Hours by Channel Type 2023

Seasonality

Hatsu Uri ("First Sales") at New Year

Valentine's Day

White Day

Mother's Day

Father's Day

Summer bargains

Halloween

Black Friday and Cyber Monday

Christmas and year-end bargains

MARKET DATA

- Table 1 Sales in Retail by Retail Offline vs Retail E-Commerce: Value 2018-2023
- Table 2 Sales in Retail by Retail Offline vs Retail E-Commerce: % Value Growth 2018-2023
- Table 3 Sales in Retail Offline by Channel: Value 2018-2023
- Table 4 Sales in Retail Offline by Channel: % Value Growth 2018-2023
- Table 5 Retail Offline Outlets by Channel: Units 2018-2023
- Table 6 Retail Offline Outlets by Channel: % Unit Growth 2018-2023
- Table 7 Grocery Retailers: Value Sales, Outlets and Selling Space 2018-2023
- Table 8 Grocery Retailers: Value Sales, Outlets and Selling Space: % Growth 2018-2023
- Table 9 Sales in Grocery Retailers by Channel: Value 2018-2023
- Table 10 Sales in Grocery Retailers by Channel: % Value Growth 2018-2023
- Table 11 Grocery Retailers Outlets by Channel: Units 2018-2023
- Table 12 Grocery Retailers Outlets by Channel: % Unit Growth 2018-2023
- Table 13 Non-Grocery Retailers: Value Sales, Outlets and Selling Space 2018-2023
- Table 14 Non-Grocery Retailers: Value Sales, Outlets and Selling Space: % Growth 2018-2023
- Table 15 Sales in Non-Grocery Retailers by Channel: Value 2018-2023
- Table 16 Sales in Non-Grocery Retailers by Channel: % Value Growth 2018-2023
- Table 17 Non-Grocery Retailers Outlets by Channel: Units 2018-2023
- Table 18 Non-Grocery Retailers Outlets by Channel: % Unit Growth 2018-2023
- Table 19 Retail GBO Company Shares: % Value 2019-2023
- Table 20 Retail GBN Brand Shares: % Value 2020-2023
- Table 21 Retail Offline GBO Company Shares: % Value 2019-2023
- Table 22 Retail Offline GBN Brand Shares: % Value 2020-2023
- Table 23 Retail Offline LBN Brand Shares: Outlets 2020-2023
- Table 24 Retail E-Commerce GBO Company Shares: % Value 2019-2023
- Table 25 Retail E-Commerce GBN Brand Shares: % Value 2020-2023
- Table 26 Grocery Retailers GBO Company Shares: % Value 2019-2023
- Table 27 Grocery Retailers GBN Brand Shares: % Value 2020-2023
- Table 28 Grocery Retailers LBN Brand Shares: Outlets 2020-2023
- Table 29 Grocery Retailers LBN Brand Shares: Selling Space 2020-2023

- Table 30 Non-Grocery Retailers GBO Company Shares: % Value 2019-2023
- Table 31 Non-Grocery Retailers GBN Brand Shares: % Value 2020-2023
- Table 32 Non-Grocery Retailers LBN Brand Shares: Outlets 2020-2023
- Table 33 Non-Grocery Retailers LBN Brand Shares: Selling Space 2020-2023
- Table 34 Forecast Sales in Retail by Retail Offline vs Retail E-Commerce: Value 2023-2028
- Table 35 Forecast Sales in Retail by Retail Offline vs Retail E-Commerce: % Value Growth 2023-2028
- Table 36 Forecast Sales in Retail Offline by Channel: Value 2023-2028
- Table 37 Forecast Sales in Retail Offline by Channel: % Value Growth 2023-2028
- Table 38 Forecast Retail Offline Outlets by Channel: Units 2023-2028
- Table 39 Forecast Retail Offline Outlets by Channel: % Unit Growth 2023-2028
- Table 40 Forecast Sales in Retail E-Commerce by Channel: Value 2023-2028
- Table 41 Forecast Sales in Retail E-Commerce by Channel: % Value Growth 2023-2028
- Table 42 Grocery Retailers Forecasts: Value Sales, Outlets and Selling Space 2023-2028
- Table 43 Grocery Retailers Forecasts: Value Sales, Outlets and Selling Space: % Growth 2023-2028
- Table 44 Forecast Sales in Grocery Retailers by Channel: Value 2023-2028
- Table 45 Forecast Sales in Grocery Retailers by Channel: % Value Growth 2023-2028
- Table 46 Forecast Grocery Retailers Outlets by Channel: Units 2023-2028
- Table 47 Forecast Grocery Retailers Outlets by Channel: % Unit Growth 2023-2028
- Table 48 Non-Grocery Retailers Forecasts: Value Sales, Outlets and Selling Space 2023-2028
- Table 49 Non-Grocery Retailers Forecasts: Value Sales, Outlets and Selling Space: % Growth 2023-2028
- Table 50 Forecast Sales in Non-Grocery Retailers by Channel: Value 2023-2028
- Table 51 Forecast Sales in Non-Grocery Retailers by Channel: % Value Growth 2023-2028
- Table 52 Forecast Non-Grocery Retailers Outlets by Channel: Units 2023-2028
- Table 53 Forecast Non-Grocery Retailers Outlets by Channel: % Unit Growth 2023-2028

DISCLAIMER

SOURCES

Summary 2 - Research Sources

Convenience Retailers in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

Increase in social activities and back to office momentum bring back demand

Right pricing strategy key to retain consumers

Rebound of inbound tourism supports growth

PROSPECTS AND OPPORTUNITIES

Sufficient workforce and automation will be needed for sustainable growth

Private label lines set to continue to expand to non-food categories

New concept stores likely to move towards sustainability

CHANNEL DATA

- Table 54 Convenience Retailers: Value Sales, Outlets and Selling Space 2018-2023
- Table 55 Convenience Retailers: Value Sales, Outlets and Selling Space: % Growth 2018-2023
- Table 56 Convenience Retailers GBO Company Shares: % Value 2019-2023
- Table 57 Convenience Retailers GBN Brand Shares: % Value 2020-2023
- Table 58 Convenience Retailers LBN Brand Shares: Outlets 2020-2023
- Table 59 Convenience Retailers LBN Brand Shares: Selling Space 2020-2023
- Table 60 Convenience Retailers Forecasts: Value Sales, Outlets and Selling Space 2023-2028
- Table 61 Convenience Retailers Forecasts: Value Sales, Outlets and Selling Space: % Growth 2023-2028

Supermarkets in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

Supermarkets performs well despite price rises, following changes in consumers' habits

Competition with health and personal care stores and variety stores continues

New types of supermarket outlets appear, providing convenience and experiences

PROSPECTS AND OPPORTUNITIES

Logistics challenges and opportunities await

Net super set to expand further as consumers appreciate its convenience

Self-checkout and non-cash operations may be ways to cope with labour shortages

CHANNEL DATA

Table 62 - Supermarkets: Value Sales, Outlets and Selling Space 2018-2023

Table 63 - Supermarkets: Value Sales, Outlets and Selling Space: % Growth 2018-2023

Table 64 - Supermarkets GBO Company Shares: % Value 2019-2023

Table 65 - Supermarkets GBN Brand Shares: % Value 2020-2023

Table 66 - Supermarkets LBN Brand Shares: Outlets 2020-2023

Table 67 - Supermarkets LBN Brand Shares: Selling Space 2020-2023

Table 68 - Supermarkets Forecasts: Value Sales, Outlets and Selling Space 2023-2028

Table 69 - Supermarkets Forecasts: Value Sales, Outlets and Selling Space: % Growth 2023-2028

Hypermarkets in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

Price rises benefit value sales of hypermarkets, but not volume

Strong traction for private label

Seiyu reinforces localisation with locally sourced produce

PROSPECTS AND OPPORTUNITIES

Strategic changes in focus expected when it comes to product range

Despite population decline, hypermarkets set to benefit from more tourists

Players likely to continue to push sustainability

CHANNEL DATA

Table 70 - Hypermarkets: Value Sales, Outlets and Selling Space 2018-2023

Table 71 - Hypermarkets: Value Sales, Outlets and Selling Space: % Growth 2018-2023

Table 72 - Hypermarkets GBO Company Shares: % Value 2019-2023

Table 73 - Hypermarkets GBN Brand Shares: % Value 2020-2023

Table 74 - Hypermarkets LBN Brand Shares: Outlets 2020-2023

Table 75 - Hypermarkets LBN Brand Shares: Selling Space 2020-2023

Table 76 - Hypermarkets Forecasts: Value Sales, Outlets and Selling Space 2023-2028

Table 77 - Hypermarkets Forecasts: Value Sales, Outlets and Selling Space: % Growth 2023-2028

Small Local Grocers in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

Closure of outlets in Shotengai is a major issue

Strong demand for authentic products helps drive sales

Affordable indulgences and heightened health awareness

PROSPECTS AND OPPORTUNITIES

Urban/rural inequality in shopping opportunities likely to continue

Tough competition in grocery retailing set to continue

New concepts and niches anticipated to be seen in small local grocers

CHANNEL DATA

Table 78 - Small Local Grocers: Value Sales, Outlets and Selling Space 2018-2023

Table 79 - Small Local Grocers: Value Sales, Outlets and Selling Space: % Growth 2018-2023

Table 80 - Small Local Grocers GBO Company Shares: % Value 2019-2023

Table 81 - Small Local Grocers GBN Brand Shares: % Value 2020-2023

Table 82 - Small Local Grocers LBN Brand Shares: Outlets 2020-2023

Table 83 - Small Local Grocers LBN Brand Shares: Selling Space 2020-2023

Table 84 - Small Local Grocers Forecasts: Value Sales, Outlets and Selling Space 2023-2028

Table 85 - Small Local Grocers Forecasts: Value Sales, Outlets and Selling Space: % Growth 2023-2028

General Merchandise Stores in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

Department stores recovers as inbound tourism rebounds, and floor layouts change to meet consumers' needs

Seven & i Holdings sells Sogo and Seibu after turmoil

Variety stores compete with low prices and unique private label lines

PROSPECTS AND OPPORTUNITIES

Pricing will be key for variety stores

Reaching out to younger consumers will be key

Department stores likely to focus on food

CHANNEL DATA

Table 86 - General Merchandise Stores: Value Sales, Outlets and Selling Space 2018-2023

Table 87 - General Merchandise Stores: Value Sales, Outlets and Selling Space: % Growth 2018-2023

Table 88 - General Merchandise Stores GBO Company Shares: % Value 2019-2023

Table 89 - General Merchandise Stores GBN Brand Shares: % Value 2020-2023

Table 90 - General Merchandise Stores LBN Brand Shares: Outlets 2020-2023

Table 91 - General Merchandise Stores LBN Brand Shares: Selling Space 2020-2023

Table 92 - General Merchandise Stores Forecasts: Value Sales, Outlets and Selling Space 2023-2028

Table 93 - General Merchandise Stores Forecasts: Value Sales, Outlets and Selling Space: % Growth 2023-2028

Apparel and Footwear Specialists in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

Fast Retailing focuses on experiences to draw consumers into its physical outlets

Pure online players enter the physical space – showrooming is important in Japan

Overseas players are re-entering Japan with localisation in mind

PROSPECTS AND OPPORTUNITIES

Return of inbound tourists should help maintain growth for physical stores

Incorporating digital features to enhance the customer experience

Apparel and footwear specialists to move beyond selling apparel and footwear

CHANNEL DATA

- Table 94 Apparel and Footwear Specialists: Value Sales, Outlets and Selling Space 2018-2023
- Table 95 Apparel and Footwear Specialists: Value Sales, Outlets and Selling Space: % Growth 2018-2023
- Table 96 Apparel and Footwear Specialists GBO Company Shares: % Value 2019-2023
- Table 97 Apparel and Footwear Specialists GBN Brand Shares: % Value 2020-2023
- Table 98 Apparel and Footwear Specialists LBN Brand Shares: Outlets 2020-2023
- Table 99 Apparel and Footwear Specialists LBN Brand Shares: Selling Space 2020-2023
- Table 100 Apparel and Footwear Specialists Forecasts: Value Sales, Outlets and Selling Space 2023-2028
- Table 101 Apparel and Footwear Specialists Forecasts: Value Sales, Outlets and Selling Space: % Growth 2023-2028

Appliances and Electronics Specialists in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

Yodobashi hopes to open in Ikebukuro

Yamada continues to expand to adjacent areas

Online sales strategy at the diversification/experimentation stage

PROSPECTS AND OPPORTUNITIES

Who dictates the price tag is gradually changing

Different approaches to attracting consumers

Addressing the need for different products through crowdfunding

CHANNEL DATA

- Table 102 Appliances and Electronics Specialists: Value Sales, Outlets and Selling Space 2018-2023
- Table 103 Appliances and Electronics Specialists: Value Sales, Outlets and Selling Space: % Growth 2018-2023
- Table 104 Appliances and Electronics Specialists GBO Company Shares: % Value 2019-2023
- Table 105 Appliances and Electronics Specialists GBN Brand Shares: % Value 2020-2023
- Table 106 Appliances and Electronics Specialists LBN Brand Shares: Outlets 2020-2023
- Table 107 Appliances and Electronics Specialists LBN Brand Shares: Selling Space 2020-2023
- Table 108 Appliances and Electronics Specialists Forecasts: Value Sales, Outlets and Selling Space 2023-2028
- Table 109 Appliances and Electronics Specialists Forecasts: Value Sales, Outlets and Selling Space: % Growth 2023-2028

Home Products Specialists in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

Nitori extends its lead thanks to constant development

Cainz acquires variety stores player Tokyu Hands

The struggles of DCM

PROSPECTS AND OPPORTUNITIES

Increasing demand likely to be hampered by the move to second-hand

Investment in back-end tech to improve digital activities

Sustainability begins to take root

CHANNEL DATA

- Table 110 Home Products Specialists: Value Sales, Outlets and Selling Space 2018-2023
- Table 111 Home Products Specialists: Value Sales, Outlets and Selling Space: % Growth 2018-2023
- Table 112 Sales in Home Products Specialists by Channel: Value 2018-2023
- Table 113 Sales in Home Products Specialists by Channel: % Value Growth 2018-2023
- Table 114 Home Products Specialists GBO Company Shares: % Value 2019-2023

- Table 115 Home Products Specialists GBN Brand Shares: % Value 2020-2023
- Table 116 Home Products Specialists LBN Brand Shares: Outlets 2020-2023
- Table 117 Home Products Specialists LBN Brand Shares: Selling Space 2020-2023
- Table 118 Home Products Specialists Forecasts: Value Sales, Outlets and Selling Space 2023-2028
- Table 119 Home Products Specialists Forecasts: Value Sales, Outlets and Selling Space: % Growth 2023-2028
- Table 120 Forecast Sales in Home Products Specialists by Channel: Value 2023-2028
- Table 121 Forecast Sales in Home Products Specialists by Channel: % Value Growth 2023-2028

Health and Beauty Specialists in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

Physical outlets regain momentum post-COVID-19, and competition intensifies both online and offline Increased activities outside the home generate demand for OTC products

Online offerings increase

PROSPECTS AND OPPORTUNITIES

Unique private label launches could be key to retain consumers

Continued development of private label lines targeted towards Gen Z expected

Femtech and femcare likely to be the next trends in health and beauty specialists

CHANNEL DATA

- Table 122 Health and Beauty Specialists: Value Sales, Outlets and Selling Space 2018-2023
- Table 123 Health and Beauty Specialists: Value Sales, Outlets and Selling Space: % Growth 2018-2023
- Table 124 Sales in Health and Beauty Specialists by Channel: Value 2018-2023
- Table 125 Sales in Health and Beauty Specialists by Channel: % Value Growth 2018-2023
- Table 126 Health and Beauty Specialists GBO Company Shares: % Value 2019-2023
- Table 127 Health and Beauty Specialists GBN Brand Shares: % Value 2020-2023
- Table 128 Health and Beauty Specialists LBN Brand Shares: Outlets 2020-2023
- Table 129 Health and Beauty Specialists LBN Brand Shares: Selling Space 2020-2023
- Table 130 Health and Beauty Specialists Forecasts: Value Sales, Outlets and Selling Space 2023-2028
- Table 131 Health and Beauty Specialists Forecasts: Value Sales, Outlets and Selling Space: % Growth 2023-2028
- Table 132 Forecast Sales in Health and Beauty Specialists by Channel: Value 2023-2028
- Table 133 Forecast Sales in Health and Beauty Specialists by Channel: % Value Growth 2023-2028

Vending in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

Food vending continues to see innovation and new opportunities Vending machines are used to build relationships and loyalty Coca-Cola incorporates dynamic pricing in vending

PROSPECTS AND OPPORTUNITIES

Tobacco vending will struggle to maintain a presence Innovative vending machines set to continue to be launched, attracting tourists Overseas players enter vending in Japan, introducing new concepts

CHANNEL DATA

Table 134 - Vending by Category: Value 2018-2023

Table 135 - Vending by Category: % Value Growth 2018-2023

Table 136 - Vending GBO Company Shares: % Value 2019-2023

Table 137 - Vending GBN Brand Shares: % Value 2020-2023

Table 138 - Vending Forecasts by Category: Value 2023-2028

Table 139 - Vending Forecasts by Category: % Value Growth 2023-2028

Direct Selling in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

Face-to-face events return post-pandemic

Investigations by Consumer Affairs Agency damage reputation of direct selling

Online presence is becoming more important to compete

PROSPECTS AND OPPORTUNITIES

New regulation will impact future advertising for direct sellers

Direct selling a key retail channel for emerging concepts such as CBD

Yakult Honsha will continue to lead and launch new products

CHANNEL DATA

Table 140 - Direct Selling by Category: Value 2018-2023

Table 141 - Direct Selling by Category: % Value Growth 2018-2023

Table 142 - Direct Selling GBO Company Shares: % Value 2019-2023

Table 143 - Direct Selling GBN Brand Shares: % Value 2020-2023

Table 144 - Direct Selling Forecasts by Category: Value 2023-2028

Table 145 - Direct Selling Forecasts by Category: % Value Growth 2023-2028

Retail E-Commerce in Japan

KEY DATA FINDINGS

2023 DEVELOPMENTS

E-commerce growth slows after its peak during COVID-19

New regulation on stealth marketing (Endorsements and Testimonials in Advertising)

Grocery players accelerate their e-commerce offerings

PROSPECTS AND OPPORTUNITIES

Delivery fees and last-mile delivery concern consumers

Marketplace ecosystems set to develop and intensify the competition

Digital inclusivity and safety will be areas of focus for an ageing society

CHANNEL DATA

Table 146 - Retail E-Commerce by Channel and Category: Value 2018-2023

Table 147 - Retail E-Commerce by Channel and Category: % Value Growth 2018-2023

Table 148 - Retail E-Commerce GBO Company Shares: % Value 2019-2023

Table 149 - Retail E-Commerce GBN Brand Shares: % Value 2020-2023

Table 150 - Forecast Retail E-Commerce by Channel and Category: Value 2023-2028

Table 151 - Forecast Retail E-Commerce by Channel and Category: % Value Growth 2023-2028

About Furomonitor International

Euromonitor International is an independent market intelligence provider. Data, insight and analysis stem from in-the-field research spanning 210 national markets.

Content ranges from the in-depth and country-specific, to key strategic themes with a global range and significance. Products cover

a comprehensive range of insights and market data, but can be broadly categorised as:

- Strategy Briefings: Global or regional in scope, and focussing on the most important themes shaping consumer demand, the key markets, competitive environment and future outlook across a range of industries.
- Company Profiles: Analysis dedicated to the world's most significant companies, with detailed insight into their activities, focus of operations, their competitors, their geographic presence and performance.
- Country Reports: For an in-depth understanding of specific countries, whether by industry, economic metrics or consumer trends and lifestyles. These reports cover current trends, consumer demand, market potential and future prospects, with country-specific local insight and comprehensive data, unavailable elsewhere.

For more information on this report, further enquiries can be directed via this link www.euromonitor.com/retail-in-japan/report.