

Japan Market Profile

Unlock Your Global Potential

THERE IS CURRENTLY potential for Australian organic producers and suppliers to attain a stake in the highly lucrative Japanese market. As the Japanese people continue to embrace the trend for a healthier lifestyle, there is an increased and ongoing demand for quality organic produce.

With the current total value of Australian organic exports to Japan less than 1% of the total value of the Japanese organic market, this creates numerous export opportunities from Australia. There are opportunities at both the "young" and "grey power" spectrums of the scale.

Economic forecasters estimate that the burgeoning Japanese market for organic product is expected to reach more than \$6 billion (AUD) by around 2010.

In general, the Japanese market can be characterised as -

- Sophisticated
- Having an ageing population
- Very health conscious
- A lucrative market
- Yet, Highly regulated

Other factors that should ignite the interest of Australian organic producers and suppliers are that -

- Japan is the largest market for organic foods in the Asia Pacific region
- Food scares and health issues, as well as the shifting leisure and recreation needs of both the elderly and the younger generations have contributed to rising consumer demand.

According to Steve Dowling from ClientLink™ - Japan Assist Service, "If you are considering establishing an export connection to Japan, research highlights that there are some very important factors to keep in mind".

Firstly, Japan is not interested in "one-off" deals, instead there is an emphasis to deal with established traders. This gives them confidence in aspects of supply capability and market credibility. Attention



to detail, control of consistency, responsiveness to queries, and demonstration of willingness to adapt are paramount for companies looking to make a successful venture into the Japanese market.

Secondly, establishing an ongoing export connection with Japan requires much time and patience, and Australian organic producers and suppliers must have a willingness to adapt and share openly. This is required in order to build trust and a solid reliable relationship.

As with any new export business venture, you will need to establish a network of reliable contacts together with the markets of greatest potential in order to begin your export journey successfully.

Along with the Supermarket Trade Show and FoodEx that are held in the first quarter of each year, the BioFach Japan Organic Expo is the premier organic trade event held annually in September or October. BioFach Japan is a valuable opportunity to showcase products.

Japanese manufacturers, processors, restaurant chains, supermarkets, and convenience store chains are all interested in safe, price-competitive and value-added

products from Australia. This applies particularly to health products, since vitamins and dietary supplements generate large sales in Japan. For example, snack bars for kids containing a healthy vitamin additive would be most appealing and advertising for this type of product could be "Double the value – healthy snacks and vitamins for Kids".

There are also openings for low cost health food products.

The best opportunities for Australian processed foods suppliers include processed products based on crops, meat, dairy and grains, for which Australia is internationally competitive.

Of particular growing interest are organic products with a gourmet flair, that appeal to health-conscious Japanese buyers, using natural ingredients with the least amount of additives and preservatives.

To satisfy the Japanese market, products will need to -

- Display unique attributes and selling points
- Be presented in nicely designed packaging
- Have shelf life of no less than 12 months in ambient conditions
- Have traceability and be antibiotic free
- Be specifically tailored to Japanese buyers' specifications

Whilst Australia is perceived as the 'green and clean' alternative, now is an opportune time for organic producers and suppliers to consider the Japanese market, especially if they maintain the basic foundation of organic farming... respect for the environment.

Links to further information: www.clientlink.com.au; www.bfa.com.au.



Travelling well – ACO finalists in Vogue awards

Four ACO operations have had their efforts recognised as finalists in the prestigious 2009 Vogue Entertaining + Travel Awards.

A big congratulations to: Bauer's Organic Farm, Qld (organic Sweet Corn), Barambah Organic Dairy, Qld (natural organic yoghurt), Grandvewe,

TAS (La Mancha cheese) and Gundooee Organic, NSW (organic Wagyu).

The ACO certified companies are present in a list of just 43 businesses selected for top-quality produce, Australia wide. Winners will be announced early May.