

JAPAN

NEW OPPORTUNITIES AMID A SILVER SEGMENT

With the highest proportion of its population using the internet, compared to anywhere in the region, it's no surprise that Japan ranks comfortably above the regional average on the Digital Consumer Index. A significant proportion (83.3 percent) of Japan's 119 million internet users are also active digital buyers. However, with a population that's set to shrink, these numbers are unlikely to increase much more.

That said, a rapidly growing silver economy offers prospects for growth. But these will increasingly be aimed squarely at an older demographic, to meet its particular requirements. Per capita spend on digital commerce is predicted to grow by 7.8 percent CAGR, from USD 1,786 today to USD 2,594.60 by 2022.

93% of women aged 40 to 49 made online purchases in 2015/16, compared with 76% of women aged 20 to 29⁵³

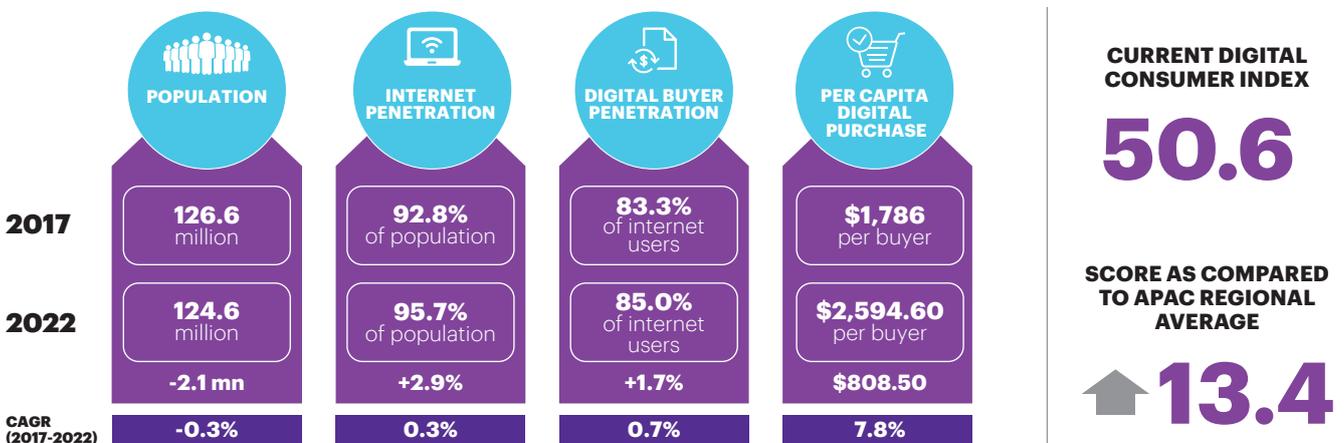
The drivers of digital commerce in Japan include, as mentioned, a high number of internet users, extensive mobile penetration (already standing at 102 percent) and a strong infrastructure network.

Japan's digital shoppers display many of the characteristics of older buyers. 43 percent of them value convenience over affordability. Quality of experience is also important, with some 41 percent saying they will switch retailers if they don't get the service they expect.

They're also using digital within physical retail environments, with 21 percent of them searching for information or advice online while browsing for products in a store.

JAPAN'S STRONG MOBILE PENETRATION & LOGISTIC SUPPORT ARE KEY DRIVERS FOR ITS DIGITAL PERFORMANCE

Japan's rapidly growing silver economy consumers are increasingly seeking ease and convenience





TRENDS

Consumers moving towards premium, multi-channel experiences, not afraid to switch between brands

SWITCH BRANDS

41%

of digital buyers are likely to switch retailers after a bad experience

CONVENIENCE

43%

of consumers choose brands due to convenience vs affordability

MULTI-CHANNEL EXPERIENCE

21%

of consumers get information or advice online while browsing for products in-store



DRIVERS

of digital commerce in JAPAN

119 mn
INTERNET USERS
2022

102%
MOBILE
PENETRATION
2016/17

12th in LPI
STRONG LOGISTIC
SUPPORT
2016



DIGITAL SAVVY JAPANESE CONSUMERS OPTIMALLY UTILIZE SMARTPHONES FOR EASE, DIVERSE SHOPPING OPTIONS & DEALS

Japanese consumers pay attention to the product research & ads when making a purchase

45%

of Japanese smartphone users complement product research via smartphone with in-store visits

70%

Japanese Internet users are comfortable with companies using artificial intelligence in super markets

53%

Japanese enrol for 2-5 reward programs

53%

Japanese consumers consider email as preferred channel for contacting customer service

61%

Japanese consider research as the key driver for new product trial vs recommendations

39%

of Japanese consumers see an ad, click & review the content before closing the webpage, revisit the page later to make a buy

40%

Japanese digital buyers make purchase from cross-border companies based out in the US

69%

of Japanese Internet users pay through cash when at stores, followed by credit Card