

Beverage Market in Japan: Key Research Findings 2016

◆ Research Outline

Yano Research Institute has conducted a study on the domestic beverage market with the following conditions:

1. Research period: September to October, 2016
2. Research target: Beverage manufacturers, retailers, and etc.
3. Research methodologies: Face-to-face research by the expert researchers, surveys via telephone, and literature research

<What is the Beverage Market?>

The beverage market in this research indicates the market of sodas, coffee drinks, mineral water, beverages with fruit juice, various types of teas (Japanese tea, English tea, Oolong tea, etc.) sports/functional drinks, nutritional drinks (including energy drinks,) drinking milks, fermented lactic-drinks, soy milk, and etc.

◆ Key Findings

■ FY2015 Domestic Beverage Market Grew Slightly to 4,970 Billion Yen, 100.7% on Y-o-Y Basis, Expected to Attain 5,040 Billion Yen in FY2016, 101.4% on Y-o-Y Basis

The domestic beverage market (including milk and milk-based drinks) in FY2015 turned to a slight increase, 100.7% of the size of the previous fiscal year to achieve 4,970 billion yen, based on the shipment value at manufacturers. Good weathers during the Golden Week holidays and remarkable sales in the summertime, which is the peak period, have been regarded to turn the market for the better. The market size in FY2016 is projected to be 101.4% of that of the preceding fiscal year to attain 5,040 billion yen, the first time to reach 5 trillion yen since FY2013.

■ With Little Hot Seller Products, Makers Take Mature Market Strategies of Maintaining or Updating Existing Brands

Though some beverages were forced to temporarily stop selling because of underproduction stemming from too much demand, the beverage market as a whole in FY2015 hardly had any hot-seller products. This drove beverage makers to focus more on maintaining existing brands than usual years, which even led to a large-scale renewal of a long-seller beverage brand before it revived to attain strong sales. Because expanding the sales volume does not necessarily secure the profits, the makers have taken a mature-market strategy which is to concentrate their corporate resources to their existing, once-successful brands.

■ Sugar-Free Tea Drinks and Mineral Water Continue Making Favorable Sales, While Coffee Drinks Seek for New Demand

Unsweetened green tea drinks pursuing “Umami” and deeper taste, and those beverages designated as “food for specified health uses” have kept their favorable sales. In the mineral water category, flavor water products have been sold stably with some products developed to hot-sellers. Now that coffees and coffee drinks have reasonably been accepted by consumers as a result of makers’ efforts of developing high-quality products, some makers are groping for new demands to expand in new areas.

◆ **Report Format:**

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Price: 110,000 yen (The consumption tax shall additionally be charged for the sales in Japan.)

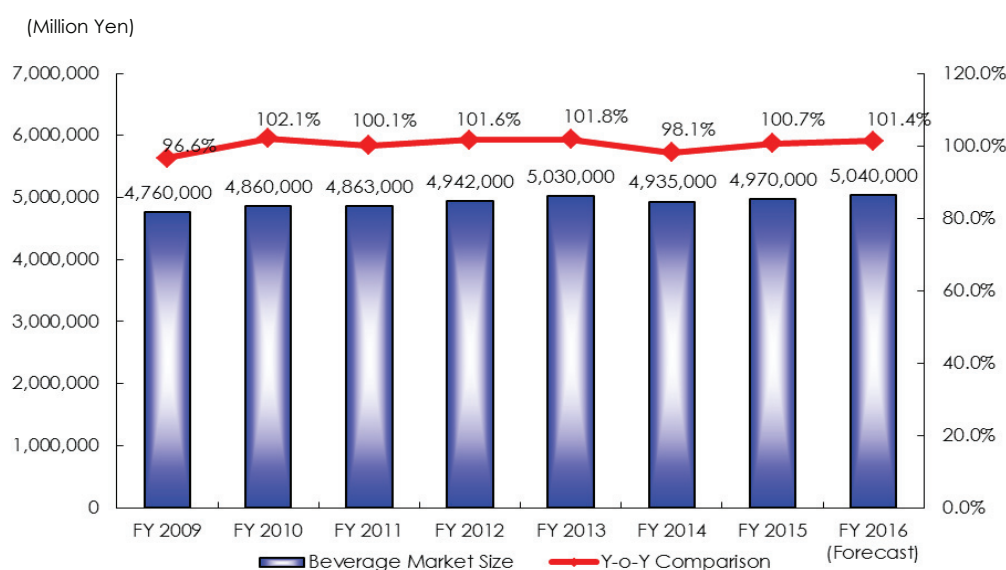
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■ **Figure 1: Transition and Forecast of Beverage Market Size**



(Million Yen)

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 (Forecast)	
Beverage Market Size	4,760,000	4,860,000	4,863,000	4,942,000	5,030,000	4,935,000	4,970,000	5,040,000	
Y-o-Y Comparison		96.6%	102.1%	100.1%	101.6%	101.8%	98.1%	100.7%	101.4%

Source: Yano Research Institute

Notes:

1. The market size is calculated based on the shipment value at manufacturers.
2. The beverage market in this research indicates the market of sodas, coffee drinks, mineral water, beverages with fruit juice, various types of teas (Japanese tea, English tea, Oolong tea, etc.), sports/functional drinks, nutritional drinks (including energy drinks), drinking milks, fermented lactic-drinks, soy milk, and etc.