

Health Food Market in Japan: Key Research Findings 2017

◆ Research Outline

Yano Research Institute has conducted a study on the health food market with the following conditions:

1. Research period: August to December, 2016
2. Research target: Health food OEM, sellers of health foods (health food manufacturers, general food manufacturers, and pharmaceutical manufacturers), health food organizations, and the authorities concerned
3. Research methodologies: Face-to-face interviews by the specialized researchers, surveys via telephone/FAX, and literature research

<What are health foods?>

Health foods in this research indicate functional foods in forms of tablets, capsules, powder, or bottled liquid.

◆ Key Findings

■ Health Food Market in FY2016 Projected to Attain 750.0 Billion Yen, 100.9% on Y-o-Y Basis

Size of the domestic health food market in FY2016 is likely to achieve 750.0 billion yen, 100.9% of that of the previous fiscal year, based on the shipment value at manufacturers. Although inbound tourism demands (vigorous purchasing by foreign visitors) in FY2016 have already subdued after having driven the market in FY2015, increasing number of products being applied and accepted as Foods with Function Claims (the system that launched in April 2015 to certify products (foods) whose labels bear function claims based on scientific evidence under the responsibility of food business operators,) which expanded the market as a whole. With more products are expected to be authorized as Foods with Function Claims, the health food market is likely to continue growing for FY2017.

■ Market Size of Foods with Function Claims Attained 44.6 Billion Yen in FY2015, and Projected to Achieve 148.3 Billion Yen in FY2016

The market size of Foods with Function Claims, based on the shipment value at manufacturers, has reached 44.6 billion yen for FY2015, the first fiscal year since the system has launched, and is projected to attain 148.3 billion yen in FY2016, the second fiscal year for the system. The products that had been accepted as Foods with Function Claims have started being sold in earnest from the latter half of the first fiscal year and to the second fiscal year on, which have expanded the market. The composition ratio of the market by food type in FY2016 is: Supplement 49.2%, other processed food 42.6%, and Fresh food 8.2%.

■ 70% of Consumers in 30s and Over Are Aware of Foods with Function Claims

According to the questionnaire targeting consumers in their 30s and over asking about the awareness and adoption of Foods with Function Claims, 70% knew about Function Claims, and 20% have already had such foods. In addition, the functions of such Foods with Function

Claims that they are interested in are those that combat visceral fat and neutral fat, which accounted for more than 20% respectively.

◆ **Report Format:**

Published report: “Health Food Market 2017”

Issued on: December 28, 2016

Language: Japanese

Format: 661 pages in A4 format

Price: 120,000 yen (The consumption tax shall additionally be charged for the sales in Japan.)

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■ **Table 1: Transition of Size of Health Food Market by Sales Channel**

Unit: Million Yen

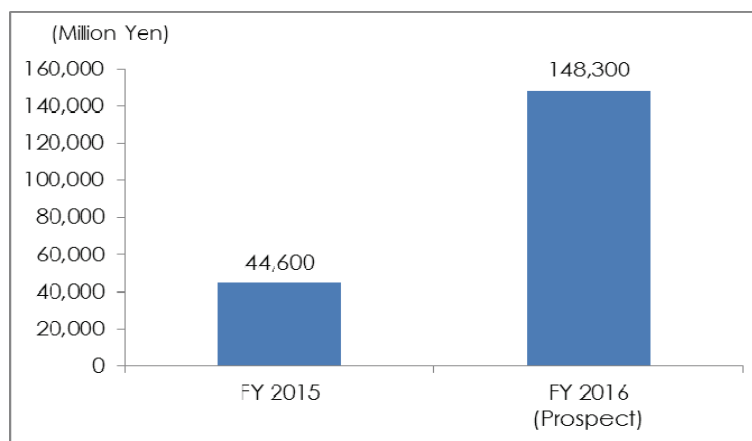
Sales Channels Market Size	FY 2014			FY 2015			FY 2016 (Prospect)			FY 2017 (Forecast)		
	Market Size	Y-o-Y	Market Share	Market Size	Y-o-Y	Market Share	Market Size	Y-o-Y	Market Share	Market Size	Y-o-Y	Market Share
Door-to-door sales	235,000	96.9%	32.6%	234,000	99.6%	31.5%	232,800	99.5%	31.0%	231,700	99.5%	30.4%
Mail order sales	299,000	102.4%	41.5%	309,100	103.4%	41.6%	318,400	103.0%	42.5%	331,200	104.0%	43.5%
Pharmaceutical channel	96,700	101.6%	13.4%	107,530	111.2%	14.5%	106,500	99.0%	14.2%	106,600	100.1%	14.0%
Food-store channel	26,500	100.8%	3.7%	26,900	101.5%	3.6%	27,200	101.1%	3.6%	27,300	100.4%	3.6%
Health food channel	15,600	94.5%	2.2%	16,800	107.7%	2.3%	15,400	91.7%	2.1%	14,820	96.2%	1.9%
Other channels	48,000	101.9%	6.7%	49,200	102.5%	6.6%	49,700	101.0%	6.6%	50,200	101.0%	6.6%
Health Food Market Size (Total)	720,800	100.2%	100.0%	743,530	103.2%	100.0%	750,000	100.9%	100.0%	761,820	101.6%	100.0%

Survey by Yano Research Institute

Notes:

1. The market size is based on the shipment value at manufacturers.
2. The health foods in this research indicate functional foods in forms of tablet, capsule, powder, or bottled liquid.
3. Pharmaceutical channel is the channel that supplies products to drugstores and pharmacies, food-store channel is that to supply products to food-handling convenience stores, mass merchandisers, and supermarkets, and health food channel is that to supply products to health food specialty stores. Other channels include those medicines arranged to be kept at households, aesthetic salons, fitness clubs & gyms, hospitals and other service channels.

■ **Figure 2: The Market Size of Foods with Function Claims**

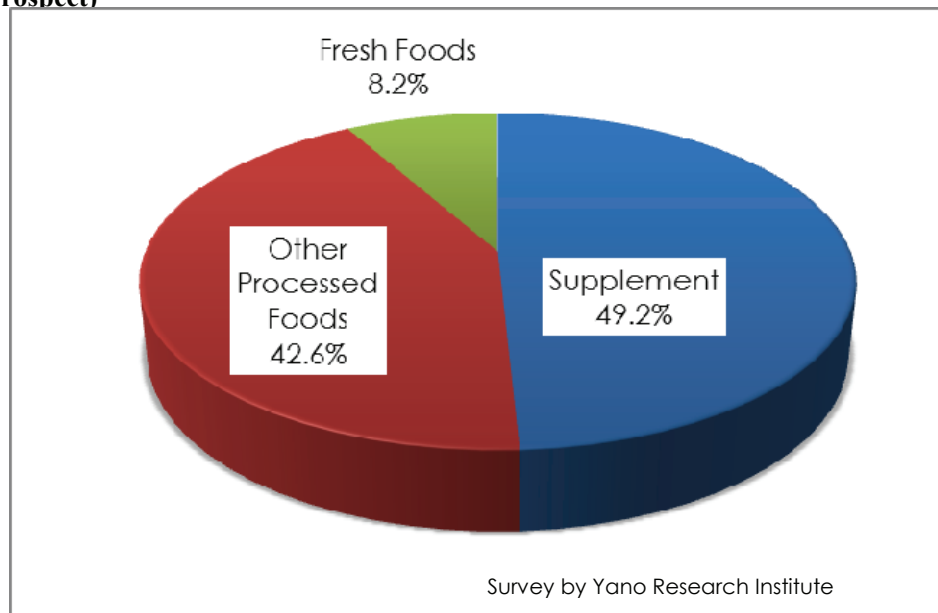


Survey by Yano Research Institute

Notes:

4. The market size is based on the shipment value at manufacturers.
5. The market only targets those products that applied to and accepted by the Consumer Affairs Agency.

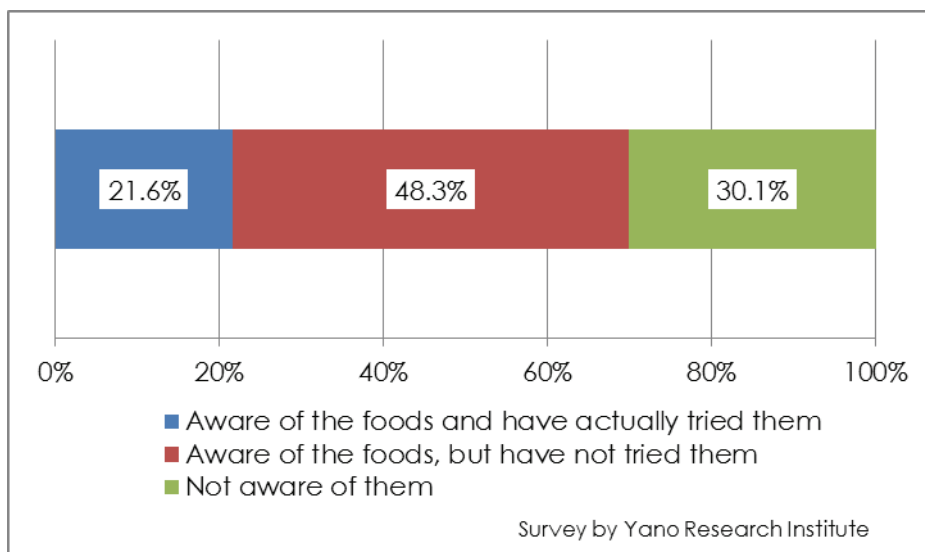
■ **Figure 3: Composition Ratio of Foods with Function Claims by Food Type (FY2016 Prospect)**



Notes:

6. The market size is based on the shipment value at manufacturers.
7. The market only targets those products that applied to and accepted by the Consumer Affairs Agency.

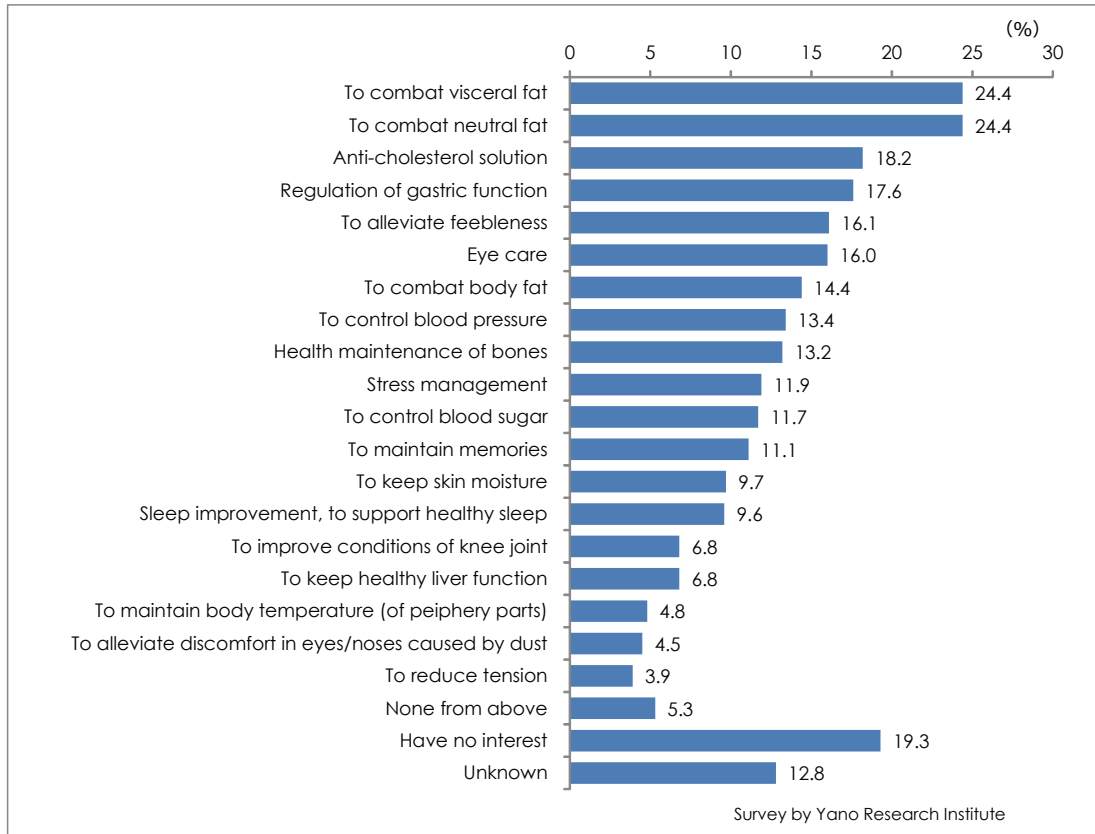
■ **Figure 4: Awareness and Adoption of Foods with Function Claims**



Notes:

8. Research period: December 2016, Research target: 1,193 men and women living in Japan aged 30 and over (598 men and 595 women), Method of research: Online, single response allowed

■ **Figure 5: Interested Functions of Foods with Function Claims**



Notes:

9. “Eye care” indicates to control eye conditions, to alleviate fatigue of eyes, focusing mechanism, keep health of yellow spots, etc.
10. Research period: December 2016, Research target: 1,193 men and women living in Japan aged 30 and over (598 men and 595 women), Method of research: Online, multiple responses allowed