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Report Highlights:

This month's issue discusses trends in the beverage sector, such as zero calorie drinks, beverage marketing techniques, and combining bars with fast food chains. This issue also analyzes a new style of "sampler" onigiri. Finally, nutritional dieting is examined with upcoming Smartphone technology.

Japan Food Trends (JFT) communicates Japanese food and lifestyle trends that may help U.S. exporters

to generate product and marketing ideas.

General Information:

"3 New zeroes to drink with"



Photo: Boss Zero via Suntory

Staying health conscious and cutting calories seem to be the recent trend as zero calorie products have been popping up everywhere in Japan. Recently, a new wave of zero calorie drinks were released which were aimed workers. To start the day, Suntory released their "Boss Zero" canned coffee. Now we can enjoy the warm comfort of morning coffee with the added satisfaction of knowing that our waistline will not suffer as well.



Photo: Dry Zero via

Asahi

If coffee is not your preference, a new series of zero calorie black teas are being released by Kirin. The "Break on the Desk" series is available in many classic flavors such as milk tea, herb and lemon, and straight tea. Recently, new flavors were introduced, including graprefuit and chocolate. Finally, after a long day of work, Japanese office workers can relax with a can of Asahi's "Dry Zero" a non-alchoholic zero calorie beer. The can is designed to look exactly like "Asahi Super Dry". A number of Tokyo office workers have already been seen enjoying this zero calorie drink during their lunch break as well!

Note from the Editor:

Beverages to enjoy at work are a crucial part of office life in Japan. This wave of drinks targeted at office workers is reaching a very important demographic of Japanese society. With the recent trend of health conscious consumers, we can expect to see more products like these in the near future. I have tried many of these zero calorie drinks, and find that they taste just as good as their caloric counterparts.

"Another New Cola to Hit Market- Brown Sugar Cola from Okinawa"

 $(\underline{http://en.rocketnews24.com/2012/05/17/another-new-cola-to-hit-japanese-market-brown-sugar-cola-from-okinawa/})$

Just in time for summer, a new cola sweetened with brown sugar from Okinawa will be in stores in Japan on June 4th. Japan Tobacco Inc will be releasing "Okinawa Kokuto Cola", or Okinawa Brown Sugar Cola. This beverage highlights its use of ingredients from Okinawa, as well as its labeling, which depicts a beautiful landscape. This new cola draws attention to Okinawa by using high quality brown sugar from the area.



Photo: Okinawa Brown Sugar Colavia Rocket News

Japan Tobacco, Inc. announced that they are hoping to bring attention to Okinawa and Okinawan foods. One way of doing this is to include a picture of Okinawa on the label. The package portrays a beautiful beach with clear water and blue skies. This appealing label will help associate the product with Okinawa, which is hoped to raise the appeal of the drink. On a hot Japanese summer day, this picture of a beach paradise should attract more consumers to the cola.

Note from the Editor:

I really like this marketing idea of focusing a product on a particular place. The label especially stands out to me, and I am sure it will easily be one that consumers can enjoy and remember. I feel that this style of a product based on a location can be very successful, and I am hoping to see many more of these products in the future. I know that I will surely try Okinawa Brown Sugar Cola on June 4th!

"KFC Japan serves chicken and whiskey at New ROUTE 25 Bar" Japan Today

(http://www.japantoday.com/category/food/view/kfc-japan-services-chicken-and-whiskey-at-new-route-25-bar)



Photo: ROUTE 25 Poster via Japan Today

Imagine yourself at a trendy southwestern US style bar, drinking Jack and Coke, while surrounded by young Japanese people. Now imagine that the bar is actually part of KFC. Confused yet? It is all part of KFC Japan's "ROUTE 25", the first KFC restaurant, which also functions as a bar at night. This restaurant/bar opened in late April in Tokyo's trendy area known as Shimokitazawa, where it is already famous with college students and trendy young Tokyoites. The third floor of this three story KFC restaurant opens at 5pm with a fully functional whiskey bar. It is decorated in the style of "Good 'ol America" where customers can relax and experience the atmosphere of restaurant's origin. ROUTE 25's menu features a few of the famous KFC dishes, but mainly focuses on specialty dishes not found in their normal restaurants. These dishes include tomato spaghetti with fried eggplant, a six cheese pizza drizzled with maple syrup, and many desserts as well.

KFC Japan intends to build more ROUTE 25 bars in the future. Due to their young customer base, they will most likely be centered in shopping and entertainment hubs around Tokyo.

Note from the Editor:

Fried food and alcohol are already great compliments in Japan. In fact there is a term for food which is eaten while drinking (Otsumami). Most bars will sell small plates of fried food along with their drink menu. KFC has found an appealing way to combine these two natural compliments. Add this natural pairing to some original dishes, a fun environment, and an innovative restaurant design, and you have a recipe for success.

"The Super Rice Ball - get four flavors in one ball!"

Rocket News: Japan.

(http://en.rocketnews24.com/2012/05/02/the-super-rice-ball-get-four-flavors-in-one-ball/)



Photo: Yonshu no Omusubi via Rocket News

One problem about convenience stores in Japan at lunchtime it the large crowd packed into the aisles and waiting lines. The major traffic jam seems to be the rice ball (onigiri) area. Because of the wide variety of onigiri flavors, making a decision can be difficult. The convenience store chain Family Mart has found a way to help customers decide. Why choose one flavor, when you can have four? This is the idea behind "Yonshu no Omusubi" or "Four Kinds of Rice Ball". This is a large rice ball with four flavors separated into sections, so one flavor can be eaten at a time.

Right now there are 2 variations. One contains tuna and mayonnaise, pickled mustard leaf, salmon from Hokkaido, and flavored seaweed. The other group is meat based, with Kalbi beef (Korean barbecue), Chinese style barbecued pork, seasoned ground chicken, and fried chicken. The former is considered normal onigiri ingredients and sells for ¥170 (\$2.14). The latter onigiri is more popular with younger consumers, and sells for ¥190 (\$2.39).

This four style rice ball is available only in certain stores in Kyoto, Gifu, and Osaka, where students are highly concentrated. However, Family Mart announced that they are considering selling these onigiri across Japan in the future.

Note from the Editor:

I often find myself getting bored with my usual choice of onigiri at lunchtime. However, due to the large variety of choices, I find the task of choosing new flavors daunting. If this product was sold in Tokyo, I am certain that I would choose it every time. I like this idea of sampling products, by having a little bit of everything. It definitely solves the problem of choosing one flavor and could be utilized in other markets as well.

Breakthrough Dieting Technology Puts Virtual Nutritionist In Your Smartphone Rocket News: Japan

(http://en.rocketnews24.com/2012/05/20/breakthrough-dieting-technology-puts-virtual-nutritionist-in-your-smartphone/)



Photo via Rocket News

For all of the calorie counters, there is a new way to eat out and still keep track of the calories eaten. A new service from the online dieting website Asken is being developed which will allow users to take pictures of the food they are eating, and immediately be informed of its calorie content and nutritional facts from their smart phone. Sony is still in the process of developing this photo recognition technology. When it is complete, Asken users will be able to take a picture of their meals, which will be sent to the Asken database. Then the user will automatically receive a response containing the nutrition facts and total calories of the meal. The service is still in development and can currently recognize 20 of the most common foods. As the project continues, more foods will be added to the photo recognition database. Currently, demonstration tests are being tested by females age 24 to 45, which is the demographic for 80% of Asken's users.

Notes from the Editor:

One problem that I have with dieting is eating out. How am I supposed to keep track of the nutrition facts of foods that I eat in restaurants? This service fixes that problem perfectly. I really like the idea of photo recognition services being applied to the food world, and I wonder how else it can be utilized in this sector. Needless to say, I am looking forward to this service's release.

Summary:

In this month's edition, we discussed new trends in the beverage and food sector. We also analyzed the use of developing Smartphone dieting technology. The beverage sector is seeing a change towards more health-conscious consumption. This can be seen in the wave of zero calorie drinks, and also in the usage of more natural ingredients in the Okinawa Brown Sugar Cola. Japan Tobacco has found an appealing way to package and market their beverage which highlights the beauty of the location. Meanwhile, KFC has found a different approach to appeal to consumers by combining their famous fried chicken with a fully functional bar. This has shown to be very successful among the young and trendy Japanese. The Family Mart convenience stores have introduced a way to eliminate the difficulty of choice with their new "Four Kinds of Rice Ball" product. Finally, the dieting service Asken is working with Sony to finish development on their food photo recognition software. With this technology, dieters can have nutrition facts with them wherever they go.