

Coffee & Tea  
 September 28, 2018  
 ~ Specialty Coffee ~

Specialty Coffee Association of Japan established in 2003 defines specialty coffee as “a cup of coffee with wonderfully delicious flavor that is evaluated as delicious by consumers and brings satisfaction”.

As the establishment year of the Specialty Coffee Association suggests, “specialty coffee” or “high quality coffee beans” started being imported to Japan in the early 2000s. This is over 20 years after the establishment of Specialty Coffee Association of America (SCAA) in 1982.

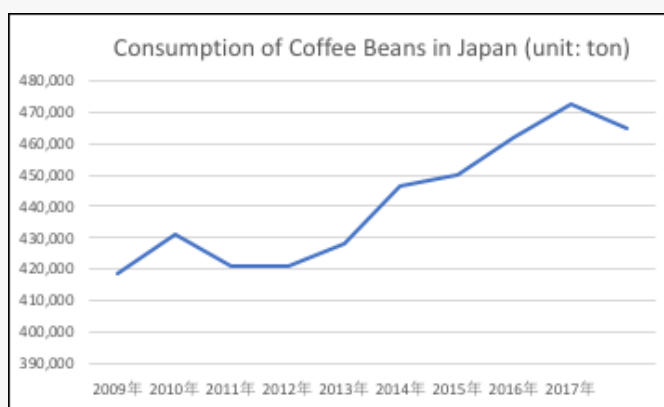
Specialty coffee, which began to circulate across Japan in the 2000s, currently account for about 6% of the market’s distribution share (general trading companies, specialized trading companies, large/medium/small-sized roasting companies, and others).

### Market Size of Specialty Coffee (2016)

	Estimated % of Sprcialty Coffee	Total Amount of Coffee (29 companies)	Total Amount of Specialty Coffee (29 companies)
General Trading Company	5.6-6.2%	389,000t	19,900t
Specialized Trading Company	6.0-6.5%	42,650t	14,560t
Large-sized Roasting Company	6.5-6.7%	128,600t	5,830t
Midium-sized Roasting Company	4.7%-5.9%	2,560t	1,597t
Small-sized Roasting Comapny	5.0-6.7%	310t	201t
Others	5.00%	1,500t	45t
<b>Total</b>	<b>5.4%-6.2% (average of 30 companies)</b>	<b>564,620t (Total of 29 companies)</b>	<b>42,133t (Total of 29 companies)</b>

Source: Specialty Coffee Association of Japan “Specialty Coffee Market Survey 2016”

As the figures show, specialty coffee is still a small market in Japan, but the Japanese coffee market is expanding over the years. The popularity of coffee is growing and more people are drinking coffee.



Source: All Japan Coffee Association

At the same time, the sales of specialty coffee are increasing. According to a recent data announced by the Specialty Coffee Association of Japan, 55% of their members who are roasters, wholesales, retailers, cafés, or importers answered that the sales of specialty coffee has grown over the past 3 years (2013, 2014 and 2016).

Recently, specialty coffee shops are opening in Japan and they are gaining a reputation. “Blue Bottle Coffee” is one successful case for attracting younger customers. In 2015, they opened their first shop in Japan and now they are preparing to open their 10th shop.



Photo by Blue Bottle Coffee Japan Instagram

Similarly, a specialty coffee chain from Los Angeles called The Coffee Bean & Tea Leaf opened its first shop in Japan in 2015 and currently has 4 shops. There are more websites introducing cafes that serve specialty coffees, and the presence of specialty coffee in Japan is expected to increase.

There is a recent trend of launching a premium line of canned coffees. In June 2018, “European Deep Roast, Lightly Sweetened” supervised by a specialty coffee store “Sarutahiko Coffee” was announced as a new series of “Georgia European”.



Photo from Coca-Cola (Japan)

As the convenience store market shows significant growth, consumers have an easy access to good coffee. As a result, consumers who search for higher quality are expected to increase in the future. It has become more casual for the Japanese to drink coffee, and the trend is focusing on high quality coffee beans. The demand of specialty coffee is expected to grow in different channels such as roasters, wholesalers, retailers, and cafes.

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