

Soft Drinks & Water

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JAPANESE MINERAL WATER MARKET AND TOP SELLING IMPORTED MINERAL WATER

First, let us compare the average consumption volume of mineral water per Japanese with other countries. In 1986, when the collection of data began, the average annual consumption volume of a Japanese person was 0.7 liters. Back then, mineral water was rarely seen in the market and it could be said that the Japanese did not have the habit of drinking it. On the other hand, US were 22 liters, Germany 65 liters, France 76 liters, Italy 66 liters, and Belgium 63 liters. Japan, 10 years later, increased to 5 liters per person, and 20 years later in 2005 increased 20 times to 14.4 liters. Similarly, the consumption volume increased in other countries as well. But, looking at the data over the 20 years from other countries, the US increased 3.7 times, Germany 1.9 times, France 2 times, Italy 2.6 times, and Belgium 2.5 times. In recent years, it has been stabilizing with a very small increase. But because of 3.11 earthquake and tsunami which hit Japan, there is a growing demand for water servers to preserve emergency water at homes and offices. 7 liter, 9 liter, and 12 liter types are the mainstream. At retail stores, there are new areas prepared to sell water servers. From now on, marketing to take in this market is needed.

Changes of Mineral Water Consumption Volume Per Person

(Unit: Liter/Year, person)

Country Year	Japan	USA	Canada	UK	Germany	France	Italy	Belgium	Switzerland	Spain
1986	0.7	22	-	-	65	76	66	63		
1987	0.7	24	-	-	67	79	74	68		
1988	0.8	27	-	3.1	74	83	79	74		
1989	0.9	31	-	5.7	82	93	90	87		
1990	1.6	33	-	6.8	90	105	106	96		
1991	2.3	36	-	8.0	75	104	116	100		
1992	2.8	37	-	8.4	82	110	117	105		
1993	3.3	40	-	9.2	82	112	120	104		
1994	4.5	43.5	-	11.0	89.8	106.0	140.7	111		82.0
1995	5.5	45.8	9.0	13.1	98.1	110.5	125.2	99.0	75.2	92.4
1996	5	49.6	10.6	135.0	96.1	111.4	128.1	96.9	82.2	84.9
1997	6.3	53.4	12.8	14.8	100.7	116.0	133.8	100.1	88.9	90.6
1998	6.9	57.9	147.0	15.0	101.4	120.9	137.0	101.7	92.9	99.7
1999	8.9	63.6	16.7	16.0	103.8	130.1	138.0	109.0	95.4	112.5
2000	8.6	67.4	20.3	21.0	97.2	135.1	145.5	106.7	97.7	122.3
2001	9.8	73.1	25.1	23.2	103.8	141.6	149.7	112.7	106.7	131.4
2002	10.5	80.2	29.4	26.0	108.5	146.9	163.6	118.7	108.2	140.9
2003	11.5	85.5	33.2	30.5	121.4	156.4	178.4	129.4	111.0	156.5
2004	12.7	74.6	36.8	32.9	117.4	149.0	165.2	143.5	113.8	159.0
2005	14.4	80.6	42.3	35.8	124.6	156.2	168.3	158.0	116.6	168.7
2006	18.4									
2007	19.6									
2008	19.7	101.4	69.4	40.9	148.5	125.7	178.5	141.8	116.0	160.8
2009	19.7									
2010	19.8									

(Sources) Mineral Water Association of Japan

Next we'll introduce some of the popular imported mineral water.

In Japan, the importance of drinking fluids or hydration is always pointed out, and people carrying water bottles in their bags increased. Especially for the past few years, the intensive heat in the summer time caused more people to carry water. This summer, almost everyone carried bottled water to prevent heat stroke. Since Japanese water is soft, consumers are not used to drinking hard water. Also, sparkling water is not familiar to the lives of Japanese consumers. But this means that there are possibilities of growth. The Japanese tend to compare ingredients inside their products with other companies in terms of healthiness. They show interest in the background story of the product, so differentiation would become the basic factor. There are many working women in their 20s and 30s who carry mineral water, and the shape, design, and package of the bottle is an important factor in choosing which one to buy.

Below is the graph showing nutrition facts of typical imported mineral water.

Nutrient component (per 100ml)

Product name	Contrex	Nerea	Evan	Perrier	Crystal Geyser
Sparkling	Still	Still	Still	Natural sparkling	Still
Energy, protein, fat, carbohydrate	0	0	0	0	0
Sodium	0.94mg	0.16mg	0.7mg	1.18mg	1.13mg
Calcium	46.8mg	5.8mg	8.0mg	15.5mg	0.64mg
Magnesium	7.45mg	0.07mg	2.6mg	0.68mg	0.54mg
Hardness *	1468mg/l	140mg/l	304mg/l	415mg/l	38mg/l
pH level	7.4	7.7	7.2	6	7.0-7.8
Country of origin	France	Italy	France	France	USA

Sources: Prepared from mineral water company's materials

* Ingredients label differs slightly depending upon the timing and area of obtaining water.

Contrex

Water is directly collected and bottled in Vosges Mountains in Contrexeville, the northeastern part of France. It is very hard water with the hardness of 1468 and has abundant calcium and magnesium. It has a peculiar heavy taste and it may be hard to drink at the beginning, but you can feel satisfied once you get used to it. Mostly women consume it.

Nerea

Since it reaches the standards of Europe, a leading country in mineral water, it gives

Japanese consumers a sense of safety. The standards are 1) environmental conservation is maintained near the areas where the water is gathered 2) it has stable minerals and water temperature 3) it is bottled without additives and directly from the water source 4) it contains a certain amount of minerals and good for the body. The hardness is quite low at 140mg/l and it is easy for Japanese to drink.

Evian

This is one of the best-selling and well known bottled mineral water in Japan. It is semi-hard water with only small amounts of magnesium that makes the water taste bitter, so it is easy for Japanese to drink. There are 78mg of calcium and magnesium in 1 liter, which is profound and well balanced. It is fixed as an every day hydration.

Perrier

It is the most well known sparkling water to the Japanese. With its refreshing flavor, many people love it as "Water Champagne." Since it is naturally carbonated, the bubbles are small compared to manmade carbonation, and are softer, but lasts long. It is popular as table water, and it matches with both Japanese and Western foods. It is popular for its great match with juice, alcohol, and iced tea.

Crystal Geyser

This mineral water is bottled directly from fresh spring water in the US and it is easy to drink. Since it is a type of water that could be drunk in large volumes, it is used not only as an everyday supply of water, but for cooking rice, making tea, coffee, ice, and for diluting.



Other than these products, Volvic from France is also fixed in the Japanese market. It

has a hardness of 60, which is rare for European water and is preferred by many Japanese. Italian natural sparkling water, San Pellegrino, goes well with Italian food. Almost all of the Italian restaurants in Japan (over 4000) have this at their restaurants. As table water, Badoit, lightly carbonated hard water from France is popular. The carbonation is very soft and it tastes slightly sweet and bitter at the same time. It matches with rich sauce of Western foods and pasta, and it brings out the flavors of the dishes.