

## Confectionery & Desserts

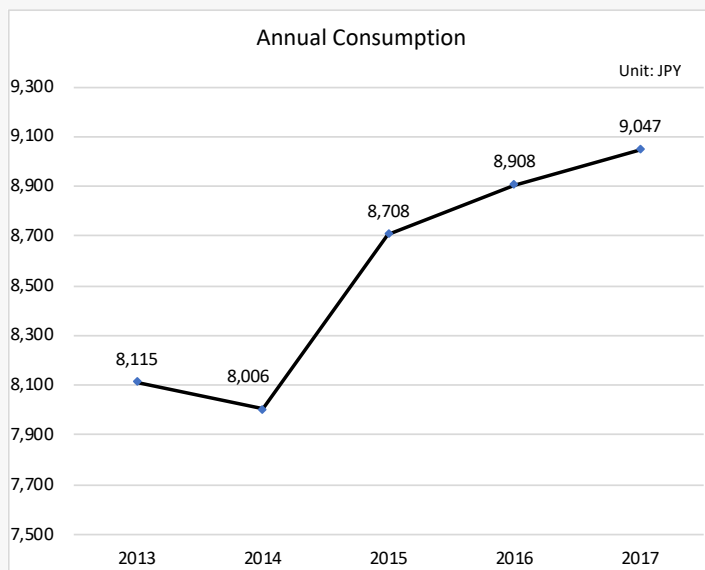
July 15, 2018

### ICE CREAM, THIS YEAR'S KING OF SWEETS ONCE AGAIN!

According to “Consumer Survey on Sweets” (targeting 857 males/females from 20-69 years old) conducted by Yano Research Institute, ice cream ranked number one for favorite sweets, followed by pudding and yogurt. In addition, results of Nifty’s “Questionnaire and Ranking of Ice Cream / Soft Served Ice Cream” (2,626 respondents) revealed that 78.1% “love” or “like” ice cream while only 1.3% “dislike” or “hate” it. Majority of the respondents (53.4%) eat ice cream more than once a week. The top reasons for wanting to eat ice cream were 1) “when it’s hot” (73.3%), 2) “when relaxing at home” (35.9%), 3) “to feel refreshed” (26.3%), 4) “when feeling tired” (26.0%), and 5) “after taking a shower/bath” (22.7%). Supermarkets and convenience stores are chosen for main places to purchase ice cream.

The consumption value of ice cream is on the rise. Japan came 17th in the world (2016) or 6.5 liters per person for annual consumption volume of ice cream. Looking at the consumption breakdown, 0.7 liters were from eating out and 5.8 liters were purchased from retail stores. Compared to other countries, many Japanese people directly purchase ice cream from shops or other retailers.

Per Capita Spending on Ice Cream



Source: Ministry of Internal Affairs and Communications’ Family Income and Expenditure Survey

## Annual Consumption Volume of Ice Cream by Country (2016)

Ranking	Country	Total (Unit: liters)
1	Australia	19.3
2	New Zealand	15.5
3	Finland	13.2
4	USA	13.1
5	Norway	10.5
6	Italy	9.6
7	Canada	9.6
8	Germany	9.2
9	Spain	8.9
10	Sweden	8.7
11	Portugal	8.5
12	Chile	8.5
13	Denmark	8.2
14	UK	7.8
15	Ireland	7.2
16	Austria	7.2
17	Japan	6.5
18	Netherland	6.4
19	Swiss	6.2
20	France	5.9
21	Belgium	5.9
22	Singapore	5.1
23	Israel	5.1
24	South Korea	4.8
25	Czech Republic	4.4

Source: Japan Ice Cream Association

The short development cycle and wide variety of items that is limited in season or store are the characteristics of the Japanese ice cream industry.

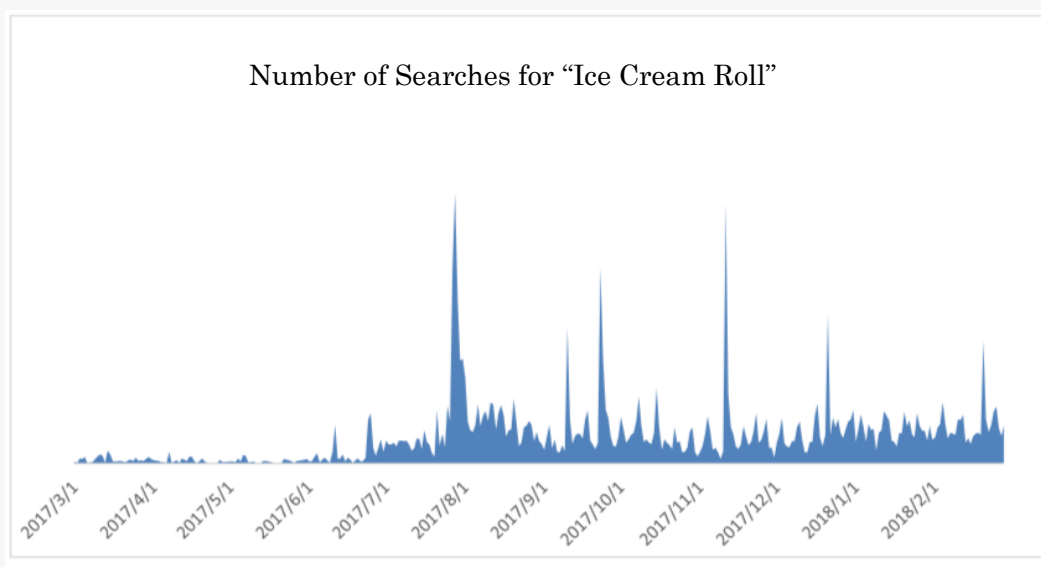
Below are some of the limited products developed as a collaboration between ice cream manufacturers and convenience stores.

Tops & Seven Eleven	Komeda's Coffee & Family Mart/Circle K Sunkus
	

<p>Black Thunder &amp; Lawson</p> 	<p>Kiri &amp; Lawson</p> 
<p>HI-CHEW &amp; Lawson</p> 	

“goo+d Ranking” operated by NTT Resonant Inc. announced a ranking for search results related to sweets brands and predicted the most trending sweets of 2018 based on the number of searches.

Top 3 search results between March 1, 2017 and February 28, 2018 were names of famous ice cream brands: 1) “31 Ice Cream” (Baskin Robbins), 2) “qu'il fait bon”, and 3) “Haagen-Dazs”. Within the same period, number of searches for “roll ice cream” showed a big jump. Ice cream rolls originate in Thailand and it is a global trend that can be seen in New York and other places.



Source: NTT Resonant Inc. Press Release

A New York style cold plate ice cream store “Roll Ice Cream Factory” opened its first store in Jingumae, Tokyo in June 2017 as the first ice cream roll store in Japan. It is a popular store forming long lines of customers every day. Rolled ice cream is attracting attention on social medias among young girls from its cute visual that makes an eye-catching Instagram post. After the liquid ice cream is placed on plate cooled down to below -10 degrees Celsius, it is rolled up with a spatula. This procedure is also fun to watch, and the fruits and sauce decorations make the rolls even more appealing.

Sweets that are not only tasty, but also fascinating to watch may become the next trend of this industry.



Source: Roll Ice Cream Factory Website

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