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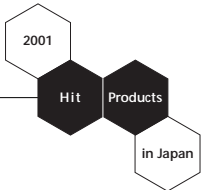
2001

Hit

Products

in Japan

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The world was shaken to the core by the terrorist attacks on the United States in September 2001. Watching the people of the U.S. unite under the Stars and Stripes, the Japanese too began to question their place in the world. What compass should Japan use to navigate these stormy waters? Where can Japan go for inner strength? What traits in the Japanese character are unique and worthy of pride? These were among the topics of Japan's introspection in 2001.

In the economic sphere, the general level of optimism in Japan continued to sink, but consumer confidence surprised some observers by staying afloat. Results from Dentsu's Consumer Mood Survey revealed that confidence declined only slightly, even remaining steady when it came to daily consumption in areas such as apparel, leisure and education/culture. In fact, more people made no cut in their consumption spending than six months ago — 33.1% in April 2001 grew to 37.5% in October 2001. While fully aware of the dreary prospects for employment and income, consumers nevertheless started to enjoy a new kind of "quality lifestyle." People permitted themselves to splurge on fun from time to time, likely encouraged by the declining prices of quality goods.

With the spotlight on lifestyles, *Dentsu Hit Products in Japan 2001* reports on a dazzling array of interesting new products. The goods and services that won the attention of this year's wiser consumers were distinguished by the painstaking efforts that went into their development. Meanwhile, what "happiness" meant to buyers showed signs of change. A product of the acknowledgement of grim realities, a new system of values started to emerge in the age-old pursuit of happiness. People tried to find happiness in the experience of intangibles like peace of mind, security and collaboration. The digital device itself had reached a certain level of maturity; the race was on to create software that was fun and easy to use. It was not that Japan shied away from digitalization. People here were reaching for the "post-digital." They admitted the advantages of life in the fast lane, but also recognized the merit of the slow things in life. Behind the success of the products that embodied these trends, there were ordinary people trying to survive a harsh reality by switching speeds to suit the moment. In a sense, the hit products this year — the best sellers that defined the "in" for 2001 — all told this story.

Take for example the robot. Digital and inorganic in its very nature, it still requires assembly by the human hand. Fingers manipulate soldering irons to craft each one. The adjective "digital" is derived from the noun "digit," a word whose root meaning is "fingers." Robots may not be alive, but they are imbued with tenderness. If human fingers are involved, human warmth is built right in. The robot is a lively demonstration that we will always experience human warmth, even when our lives become thoroughly enveloped in the digital.

Take a pause in the midst of the hustle. Today's daily life begs for a conscious attempt to spend some time at an unhurried pace. With two different experiential speeds to select from, people can modulate stress and tension, running high or strolling slow to the tune of the moment. The time has come for a life more relaxed — like swirling to the rhythm of a waltz that goes "slow, slow, quick... slow, slow, quick..."

The Two-in-One Person

This year saw a proliferating selection of inexpensive but quality products, and consumers thoroughly enjoyed the explosion of options and diversity of design. They also sought to maintain a *petit bourgeois* living standard, consuming products and services with a zest cheered by declining prices. There was a comfortable personality split in the consumer. It was A-OK to arrive in an expensive foreign car sporting a pair of glasses that cost as little as 5,000 yen. Adults went crazy over kid toys, amassing huge collections. Phenomena like these, which reveal what we call the “two-in-one person,” were seen everywhere.

Feeling Rich Thanks to Price Deflation

More options in terms of price and design became available amid generally falling prices. Characteristically, consumers enjoyed an unprecedented level of product selection in 2001.

Low-priced shops selling fashionable sundries

With the prevalence of 100-yen stores, miscellaneous household items became less costly. Meanwhile, a popular apparel maker made a splash in this market by opening stores selling low-priced sundries. Everything in the shops sold for one of only five prices, ranging from 100 to 1,000 yen. By offering the whole spectrum of color variations and running constant sales, the new stores succeeded in capturing their target customers — people in pursuit of a convenient, tasteful way to satisfy the all-around needs of their lifestyles.

Stores specializing in inexpensive eyeglasses

An eyeglasses retailer offering complete eyeglass sets for less than 10,000 yen in three price categories was launched, and grew so popular that customers were seen lining up just to get in the stores. The deflationary pressure on prices shook every corner of the market. Low prices in effect proposed a new lifestyle, signaling consumers to change eyeglasses to match different clothes or suit different occasions. The stores caught on quickly, especially among young people, who started to perceive eyeglasses as a piece of fashion vocabulary.

Two-price men's suit outlets

Men's apparel outlets based on the SPA system (Specialty store retailer of Private label Apparel) offered business suits in two price categories of 19,000 and 28,000 yen, drawing crowds. The stores made it big in the fashionable districts of Hibiya and Minami-Aoyama, making the most of sensitivity to the latest trends to attract white-collar workers.

Toy cameras

Inexpensive digital cameras and toy cameras costing around 10,000 yen came into fashion. Despite the absence of an LCD monitor, they were good enough for a nice snapshot. Many new users bought these as a first digital camera, and others to supplement the digital camera they already owned.

Fuel-efficient mini vehicles with great color selection

Among the increasingly popular brand of small 1,300cc vehicles, inexpensive models boasting good fuel efficiency, roomy interiors and multi-functionality sold extremely well, weaving through the streets in a rich variety of colors.

200~300 yen *gyudon*

Triggered by the half-price weekday deals offered by a big hamburger chain, the entire foodservice industry plunged headlong into full-on price wars. Chains serving *gyudon*, or bowls of rice topped with beef, launched price-cut campaigns, competing to be the cheapest in town.

**Low-malt beer and *chuhai*
(a clear, carbonated
alcoholic beverage)**

The share of low-malt beer crept up to exceed 30% of the total supply of regular plus low-malt beer. This market expansion was fueled by the efforts of brewers, who pushed hard to introduce new products and/or reform existing ones in 2001. On another front, major brewers scrambled one after another to enter the market for *chuhai*-in-a-can. Low price and smooth taste sent demand up for this type of liquor.

Korean cuisine

Korean specialties, including *Dak Galbi*, *Jijimi*, *Bulgogi* and *Bibimbob*, generated fanfare for their delicious taste and health benefits. In addition to Korean food at restaurants, a number of frozen Korean dinners became available, allowing people to feast on Korean food in the comfort of their own homes. With the upcoming FIFA World Cup Korea/Japan, the Japanese were looking to become better acquainted with the culinary art of their co-host.

**Home appliances that
reduce household expenses**

A series of home appliances that help reduce household expenses was introduced. These included an energy-conscious refrigerator equipped with a separate compartment with its own small door for taking out frequently used beverages and seasonings. A new washing machine featured ultrasonic cleaning that could remove stubborn stains, thus eliminating the need for expensive professional cleaning. Although such products tended to be pricier than conventional models, consumers believed they would recoup the difference in the long run.

Apartment sharing

Apartment sharing by unrelated people, who rented single apartment units together, was on the increase. People appreciated the savings on rent and utilities, and the opportunity to meet new people. An online bulletin board enabled renters — across the full spectrum of age, gender, nationality and occupation — to advertise their requirements, things like rent, neighborhood and the desired personality traits of potential roommates. Apartment sharing, long popular in the West, seemed likely to catch on in Japan, too.

Petit Bourgeois Consumption

Enjoying the sensation of wealth induced by deflation was nice enough, but every now and then, consumers still got the itch to splurge on luxury items. Throwing cost considerations to the wind, people had fun with occasional plunges into indulgence to punctuate their usual frugality.

Universal Studios Japan and Tokyo Disney Sea

Universal Studios Japan, a giant theme park, opened its doors in Osaka. The actual number of visitors far exceeded forecasts, conferring a sizable economic ripple on the city of Osaka in the form of spending on travel, transportation and accommodation. Meanwhile, Tokyo witnessed the launch of Tokyo Disney Sea. Unlike Tokyo Disneyland, Disney Sea sells liquor on site and runs a directly managed hotel right on the premises. Located next to Tokyo Disneyland, Disney Sea hopes to serve as a vacation resort that can keep guests happy for a few days. The hotel attracted crowds of guests from the Tokyo metropolitan area, breaking new ground to establish a completely new market segment.

Big flagship stores of luxury foreign brands

The popularity of designer brand names showed no sign of waning. On the contrary, European luxury brands built large flagship stores lining the best streets and added to their floor space in the department stores in major cities. The most conspicuous trend was a rush to build new stores in Tokyo's upscale Ginza and Omotesando districts. One building opened for business packed solely with the boutiques of celebrated overseas brands. Name brands were expected to keep establishing new stores well into 2002 and beyond.

Condominiums with a price tag of a hundred million yen

High-rise condominiums were erected in rapid succession in the heart of Tokyo and other urban areas. The units on higher floors commanded hefty prices, but the view and locations still attracted buyers in droves. Fueling consumer desire to return to the heart of the city, declining land prices made condos more accessible. Some buildings were totally sold out on the first day their units became available.

Built-to-order condominiums and cooperative housing

New systems of housing captured attention. Built-to-order condominiums enabled buyers to be involved from the design stage. Cooperative housing properties were jointly developed by groups of homeowners, who formed cooperatives to purchase a plot of land where buildings were put up to each owner's specifications, after direct discussions with the architect on layout and interior plans. These types of housing were popular among people in their 30s, who were not fully satisfied with ready-made units. The trend toward planning and building a home perfect for one's own lifestyle, and enjoying it in the process, looked ready to gain momentum.

Made-to-order products for better functionality

Services that enabled consumers to pursue perfect fits in everything from eyeglass frames to shoes were the rave. Concerned with comfort and health, consumers started refusing to compromise in their selection of goods. Looking ahead, even made-to-order medical treatments will probably become available, resulting in custom-made medications created using advanced gene technologies to cater to individual constitutions. Developments like these are sure to be riveting.

Thigh-high stockings

A record number of thigh-high stockings that stay up without the use of garters were sold in Japan, where such stockings had seldom been worn. Underlying the popularity of these products was the no-sag convenience, eliminating the need for garters. In addition, consumers were offered the new-found joy of buying stockings by piece and not by pair, and a few consumers even ventured to wear different types of stockings at the same time.

High-tech skin care products and cosmetics

Amidst the growing popularity of fine-wrinkle concealers and whitener skin care products, a new line of whiteners made its mark by appealing to the properties of DNA for improving complexion. These novel products, along with expensive, anti-aging emulsions with rejuvenating properties, caught on quickly with consumers. Highly functional skin care products based on state-of-the-art technologies were very popular among every age group.

Upscale grocery stores

While major supermarket chains intensified cut-throat price competition, upscale supermarkets emphasizing quality over price gained customers by meeting the needs of their mostly middle-aged customers, without neglecting those in their 20s and 30s. These stores won the hearts and wallets of consumers who favored quality over quantity, stocking a more robust line of high-grade produce and grocery items from premium agricultural regions, as well as specialty foods. They succeeded in replicating the high-quality atmosphere of the immensely popular deli sections in the basements of leading department stores.

The Kid in Adults

Hobby Toys

Toys in plastic capsules, plastic models, model trains, and other hobby toys designed for adults recorded brisk sales. Specialty stores with a full lineup of these hobby toy items grew in number. The clientele were mostly males in their early 20s to 40s — many of them *not* the heavily obsessed, hobby-fanatic type. Many adults visited these stores because they could finally afford to buy the plastic models they wanted when they were kids.

Figurines depicting period adventure movie heroes

Figurines that accurately replicate *anime* and drama characters became an international fad. New figures based on Japanese historical plays such as *Zatoichi* and *Kogarashi Monjiro* received a warm reception. Production runs of these models sold out series after series. Their popularity was demonstrated by the high price they fetched in Internet auctions, where bids went as high as 20 times the original price.

Toys sold in convenience stores

The toys sold at convenience stores were originally intended to attract customers below the age of 12. However, toy displays have been remade to appeal to adults, as well. Prices were kept below 1,000 yen, but the toy shelves were loaded with mini cars, mini figurines, stuffed animals, and other toys for adults.

The Grown-up in Kids

Karaoke device with built-in microphone

The home Karaoke device with a built-in microphone, which could be connected to any TV set, was a hit. The device, small and light enough to hold in one hand, was heavy on features like reverb effects, rivaling bigger and better models, and included a wide selection of tunes familiar to kids, such as songs from TV cartoon programs. Karaoke started to be enjoyed by families gathered around the “digital hearth” of home.

mini-moni

The musical group *mini-moni* was a spin-off from the popular pop-idol groups, *Morning Musume* and *Coconut Musume*, and its four members all stood less than 4 feet 9 inches tall. The group was produced by Tsunku, who was also instrumental in the creation of the wildly popular *Morning Musume*. With a crafty deployment of tie-ups with morning TV programs for kids and a popular *anime*, *mini-moni*'s popularity spread quickly to very young children. The group's first CD hit No. 1 on the Oricon CD charts in its first week of release.

Laptop PC for kids with dedicated L-mode access

A lap top computer with dedicated L-mode service for kids was released. It made e-mail and Web browsing easy for kids, who also enjoyed printing out their favorite stuff. Also, ahead of the fiscal 2002 introduction of computer curricula at public elementary schools nationwide, private PC instruction classes were packed with kids. In the future, many more software applications designed for children will fill the present void.

Brand apparel and cosmetics for kids

Demand for designer-brand apparel for kids, which used to peak prior to the first day of school and graduation day, stretched straight across the school year as kids started heading for school dressed in designer clothes every day. These clothes for kids hinted at the latest fashion trends among adults — thus, their popularity. In a related trend, increasingly younger children began to have fun with cosmetics. Cosmetics for kids sold especially well among kids in their early teens, who were becoming less interested in toys. Growing lines of cosmetics ranging from lipsticks to nail colors, as complete as adult cosmetics, were unveiled one after another, riveting the attention of many girls. Youngsters visited stores with their mothers to choose cosmetics, and communication between mother and daughter seemed to improve.

With the nearly complete penetration of mobile phones and the Internet, the “digital” in and of itself lost a lot of luster. The most sought-after luxury was relaxed, leisure time. In response, goods and services were developed to facilitate the leisurely moment. “Process-oriented” merchandise, which was developed with great care and loving attention, and often with consumer participation, made the biggest waves.

For the Joy of a Moment of Leisure

What consumers wanted was relaxation — just time to enjoy life in a stress-free atmosphere.

Broadband

The declining price of broadband access pushed the number of broadband users through the roof, up to about 900,000 by the end of October, a 95-fold increase in less than one year since the end of December 2000. Broadband brought movies and online music into the relaxed mood of the home. Broadband content transmission is “fast,” but the experience the new technology delivers to users is rich, laid back and “slow.”

Ghibli Museum in Mitaka

Conceived by Hayao Miyazaki — director of the films “*Sen-to-Chihiro no Kamikakushi*” (*The Spiriting Away of Sen and Chihiro*) and “*Mononoke-Hime*” (*Princess Mononoke*) — Ghibli Museum in Mitaka City, Tokyo opened its doors in October. Visitors were admitted by appointment only, in an attempt to allow each person to immerse him or herself completely, unhindered by the usual museum crowds.

Cafés

Stylish and relaxing cafés were extremely popular among young people. Café-related goods were pumped into the market — books featuring photos of selected cafés or recipes for popular café foods, and CDs of café music, mostly compilations of Bosa Nova and other classy staple music, were big. The popularity of café furniture and café-ware also increased among those who wanted to recreate the café feel in their own home.

Bathroom goods

Goods that added pleasure to bath time caught on. “Jet bubble” bathtubs and bathroom TV sets sold well, as did luxury modular bathroom units that were spacious enough to fit Mom or Dad and the kids. Other smaller, inexpensive items hit the market, transforming bath time into a luxurious moment.

Draft beer at home

Units for serving draft beer at home, originally introduced in a give-away promotion by a brewery in 2000, went on sale this year. Inexpensive toy-like models costing less than 4,000 yen as well as high-performance, authentic units were popular.

To Make Time for a Moment of Leisure

Goods that helped save time appealed strongly to consumers.

Rice that requires no washing	Rice usually has to be washed before cooking. But new, no-wash rice provided time savings to many consumers. Eco-friendly too, it eliminated the waste water after washing rice. There was even a rice cooker with a special feature designed just for this kind of rice.
Washer/dryer in one	Washer/dryer combos in a single compact unit, which could wash and dry cloths at the push of a single button, pleased consumers. These devices saved the time and effort of line-drying clothes, and could dry clothes in no time even on rainy days. People with hay fever and those who hated to hang their laundry out in public also liked the machines.
Home appliances that help consumers perform minor household chores	An electric bucket that helped wash a small amount of clothes and a refrigerator that assisted in the preparation of low-fat or low-sodium foods were the talk of the town. Also, consumers were delighted with new electric irons that needed no temperature control and had ironing surfaces completely covered with no-burn cloth, putting an end to the bother of using an additional cloth to prevent iron shine on clothes.
Fabric softeners that eliminate the need to iron	Fabric softeners that reduced wrinkles and put an end to ironing were unveiled. These products captured the hearts of housewives the moment they hit the stores. The immense popularity of the product significantly expanded the size of the market for laundry softeners.

New Variations on Old Themes

This year was a good year for replicated merchandise. Items prominently marked with claims like “Made by the long-established house of...,” “Traditional,” “Original,” and “Antique” generated trust by implying years of patronage by a large group of consumers. From the corporate perspective, this strategy provided a way to manage risk amid market uncertainty. Relying on the good name of a well-known product was a safe bet.

Replicated toys	The modern-day versions of toys of yesteryear, including the sell-out “Bey Blade” tops and the <i>anime</i> comics, merchandise and characters that dominated the market decades ago, ushered in a revival. Not mere replicas of traditional products, they typically added a fresh new twist. In many cases, a modern touch was added to a theme of old, as was the case with a boy-hero of the past who made his come back all grown up.
Revival of foods and beverages	Beers, carbonated drinks and snacks that replicated the tastes and packages of the good old days flooded the market. They were popular not only with adults who enjoyed the nostalgia, but also caught on among young people, who were freshly surprised by the retro packaging and unique taste sensations created by the heavy use of sweeteners.

- Innovative arrangements for rice** ■ Long a staple dish in the city of Kobe, *Soba-meshi*, or stir-fried rice and chopped noodles, made it onto the nationwide stage. Curry made from a Meiji period recipe was also popular, despite a relatively expensive price tag.
- 80s fashion** ■ Flocks of females sporting sunglasses, legwarmers and thick belts were seen in big cities. These were popular items back in the 80s, but ironically the revival was fueled mostly by the generation too young to know anything about what the 80s were really like.
- Traditional art forms** ■ The “princes” of traditional Japanese art forms, including Hideki Togi, a player of court music from ancient Japan; Motoya Izumi, a *Kyogen* farce actor; and the Yoshida Brothers, a duo playing three-stringed Japanese *shamisen* banjos, hit the big time.
- Letters** ■ People became more interested in writing letters, as was evidenced by the popularity of *kanji* character puzzles, *kanji* certification exams, and Edo calligraphy, as well as Dongba letters. The warmth and analogue touch of hand-written letters and the mysterious feel of using ancient characters caught the heart of the mobile-phone generation.
- Revitalization of Ginza** ■ The Ginza district of Tokyo was the subject of renewed excitement. First-rate brand names from overseas rushed into the area, opening stores en masse. Big-name department stores turned themselves inside out and started pumping the latest fashion trends, and efforts like these paid off in bigger crowds of customers. The nearby Yurakucho area welcomed a fleet of new mega-stores filled with home appliances and computers. A number of condominium projects were also planned in the area, driving up the price of land in Chuo Ward. Looking ahead, the area is expected to put on yet another new face, becoming a chic residential neighborhood.

Process-oriented merchandise

“End results are important, but processes are even more essential.” Based on this new philosophy, customers preferred products which communicated the personalities of their creators. This was also the force behind the increasing popularity of products developed with a tremendous investment of time and attention.

- Consumers participate in product development** ■ Many attempts were made to develop products by soliciting ideas from consumers over the Internet. A wide range of items — from women’s intimate wear, to wristwatches, to cup-noodles — found their way to market this way, and some of them went on to become major hits. Consumers, not satisfied with conventional merchandise, volunteered their personal opinions, reflecting their strong commitment to the pursuit of quality goods. Exposing consumers to the product development process often transformed them into devoted fans before products were even released.

■ **Famous shops (cup-noodles and desserts)**

■ Cup-noodles that reproduced the taste of famous noodle shops grabbed center stage in the instant noodle market. Inexpensive desserts consecrated by the approval of master chefs found their way to the shelves of convenience and department stores.

■ **Frozen fried rice with real stir-fried taste**

■ Frozen fried rice dishes that needed only to be popped in the microwave to get the full flavor of stir-fried rice made a good run for the money. Makers meticulously studied the stir-fry methods of famous chefs in an attempt to achieve delicious rice that was never gooey or sticky. This quest led to the discovery of a way to reproduce stir-fry results in a microwave. A whole new market segment for varieties of frozen fried rice appeared.

From rivalry to sympathy.... In 2001, the prolonged recession and the uncertainty of world affairs started to dismantle many prevailing values and to change standards of behavior. The feeling of being connected to others grew in importance for people, and the desire to exchange human affection became preeminent for individuals across many aspects of daily life. The strong wish to be connected was a reflection of the increasing number of people, faced by a troubled world, wanting to share their feelings and experiences with others. Hungering for the human “touch,” they were through with competing and wanted to sympathize. This trend was part and parcel of the change taking place in people’s perception of happiness.

Not user friendly, but people friendly

More people began to keep pets to help heal the tired soul and summon up new strength to persevere. “Pet therapy” became common place, as pet animals offered unconditional tenderness to all. Tenderness was also the key in a totally different sphere — the computer world — where the software developed was easier to use than ever, requiring virtually no training. More and more, products that were truly people friendly captured the mainstream.

Pet robots

One after another, toy manufacturers unveiled pet robots that looked like cats and dogs. These became popular among people of all generations and age groups. Owners could program in a name for their pet. These robots reacted to human movements and possessed a high degree of communication ability. One main reason for their popularity was another interesting feature — the way the pets were “raised” by their owners actually affected the way their personalities developed.

Robots that can walk on two feet

These small robots were designed to be friendly to people, to share the same physical space with us and even facilitate our communication. Some robots were made to look so real that they were even leased out for corporate use. A more inexpensive toy robot designed for kids, with two feet for walking and the capability to express emotion, also appeared on the market.

Small pets and pet-related services

Demand for small dogs that could be kept in apartments by city dwellers was on the rise. An increasing number of houses were designed for peaceful co-existence with pets, and more condominiums and rental apartments gave the go-ahead to pet owners. In a parallel move, a famous overseas designer brand introduced a line of products for pets. A toy that would deduce the emotions of dogs by the way they barked hit the market, as did pet-sitters, obedience schools and peripheral services catering to people’s canine companions.

Windows XP

Windows XP, released by Microsoft in November 2001, was designed with ease of navigation in mind, so that even novices could easily enjoy broadband and videophone. With larger icons, screens became easier to understand. The operating system itself was improved and became more stable, decreasing the incidence of trouble for users.

Universal design / universal fashion

A number of new items that satisfied the needs of both the physically challenged and those with no such challenges penetrated the market. For instance, wrist watches with easier-to-read faces, office supplies requiring little hand power and packages with a bit of a clever touch that made them easier to handle all captured the heart of consumers. Meanwhile, department stores and apparel companies began giving more space to lines of fashionable clothes that could be worn by anyone, regardless of body shape.

Sense of justice

More people began to feel uncomfortable this year with the notion of pursuing happiness just for themselves. They wanted to do something to help those less fortunate than themselves.

**“ZERO LANDMINE,”
released in conjunction
with a campaign to remove
land mines**

Originally initiated by Ryuichi Sakamoto, top-tier artists from both Japan and overseas joined hands to form a music group calling for land mine removal. The sales proceeds of the CD were to be used to remove land mines. The CD was very successful, selling over 600,000 copies, and the campaign generated attention as a new way for people to contribute to a worthy cause.

Recycling

In response to consumers’ attempts to get more mileage out of existing products and to reduce the volume of waste, stores selling recycled home appliances, furniture, books and clothing appeared everywhere. It also became more common for supermarkets to urge shoppers to bring their own shopping bags.

NPOs (Non-profit organizations)

As the value system that espoused economic growth as the key to the true experience of affluence started to wither away, more people challenged themselves to work in jobs that benefited society. A number of alliances between NPOs and corporations under the Law to Promote Specified Non-profit Activities (NPO Law) of 1998 attracted attention. NPOs undertaking a wide range of important initiatives ranging from international cooperation, nursing care, and dealing with problems associated with the declining birth rate, were looked upon as potential large-scale employers.

“HERO,” a TV drama

From the airing of its first episode on January 8, “HERO” boasted an audience rating of over 30% for 11 consecutive weeks, setting a new record in the history of Japanese TV dramas. The underlying aim of the drama was to present a sense of justice in a casual and inconspicuous way. The protagonist of the drama, played by Takuya Kimura, was a public prosecutor whose formal education was limited to grade 9. He became a new hero figure, capturing the heart of the male as well as female audience. Everyone was fascinated by the prosecutor who always went to work in jeans.

Desire to be connected

A look at any street corner revealed an increasing number of people incessantly checking for incoming mail on their mobile phones. People were looking for connection whenever they had a spare moment. The desire just to be connected to someone, anybody, is growing stronger by the year. Goods and services that helped consumers feel a bond with others sold very well.

- Mobile phones capable of capturing and transmitting images**

Mobile phones with a built-in lens to capture digital images for mailing to other mobile phone users were a big hit. This image-based communication caught on quickly with the younger generation, which grew up on e-mail and “print-club” instant photos.
- Third-generation wireless service**

Third-generation wireless service went live in Japan ahead of the rest of the world, with new features including faster communication and videophone functionality. Mobile communication is soon to enter the era of the moving picture.
- Interactive game machines**

Portable game devices allowing up to four people to compete in a game via special cable connections witnessed an unexpected rush in sales, with shipments exceeding forecasts.
- Diaries for public view**

The new trend of creating personal diaries for public viewing online caught on, especially among young women. Diaries could be written anywhere and anytime, with popular services that allowed journal entries to be made from the convenience of one’s mobile phone. Readers could also leave messages, enabling the writer to enjoy feedback on her inner thoughts. *Bridget Jones’s Diary*, a best selling novel of international success, based on the life of a woman in London, was made into a motion picture.
- Housing designed to promote co-existence**

A number of interesting housing projects attracted attention, especially among seniors and single women. These included: cooperative houses, where a group of prospective dwellers were involved from the design phase of the construction; collective homes, where residents shared wide-open common spaces; and group homes designed to offer collective living under one roof.

Songs in support of fathers

This year saw an ovation to the seniors whose toil built a better Japan.

- Shigeo Nagashima**

“I am feeling as refreshed as the clear blue sky.” Thus said Shigeo Nagashima, the baseball coach *par excellence* for the Giants, in his retirement speech in November 2001. During Nagashima’s retirement ceremony, which took place after the last Giants’ game of the season at the Tokyo Dome, a great cheer arose from the crowd in praise of his 40+ years of contribution and dedication to the world of baseball.

"Ashita-ga-arusa"

A remake of the familiar tune, "Ashita-ga-arusa," or "Tomorrow's coming," a representative work by the late singer Kyu Sakamoto first released in 1963, made a successful comeback as the music behind a series of commercials for a canned coffee, and even appeared on the pop charts. The lyrics were considered a salute to the white-collar worker, and the name was given to a TV drama series, capturing the hearts of men in their 30s and 40s.

"Project X," a TV documentary series

This series attempted to reveal the people behind the scenes who were instrumental in bringing about the successes of post-war Japan. People featured included those involved in the development of VHS, transistor radios, and the Seikan Underwater Tunnel. Many business men in their 30s and 40s could identify with the people introduced in this popular NHK program, "Project X: The Challengers," which achieved consistently high ratings. The program laid bare the process behind organizational endeavors, where accomplishments were not the product of elite, powerful individuals, but rather made possible by the support of countless unnamed people. It was the teamwork and solidarity of these people that enabled society to bounce back from adversities in the never-ending pursuit of dreams. Books related to the series and the theme song featuring vocals by Miyuki Nakajima were also popular.

Magazines targeting senior readers

A number of new magazines geared to seniors, especially senior men, hit the market. Covering a wide array of items ranging from commentary on everyday necessities to hobbies, these publications recommended a lively, inquisitive lifestyle.

Japanese people who captured international admiration and praise were in the spotlight in Japan this year. Meanwhile, on the domestic front, merchandise that possessed a uniquely Japanese identity attracted buyers. Product development took advantage of Japanese strengths such as technology and design, and adding innovative, new perspectives to create a renewed focus on Japan's true potential. Expectations grew that Japan could experience a resurrection, becoming a country with an unchanging strength, unaffected by economic ups and downs.

The pride of Japan — people and goods

Ichiro ■ As last year, the entire nation glowed with pride over the success of Japanese athletes in the international arena. Ichiro, who played baseball for the Seattle Mariners in the U.S., received a flood of kudos that included American League Rookie of the Year, American League Most Valuable Player, best batting average and best stolen base percentage. His success gave Japan some much needed momentum in troubled times. Tsuyoshi Shinjo, a Japanese player with the New York Mets, was selected as one of the nine best rookies of the year, along with Ichiro. Shinjo's compensation package shot up many-fold as a result of his successful season. Meanwhile, a number of younger soccer players joined teams overseas. Their success brought the entire nation closer to the world.

Junichiro Koizumi ■ Previously dubbed as the eccentric of the Japanese political scene, Junichiro Koizumi was appointed Prime Minister of Japan. With popular approval ratings soaring as high as 80%, TV coverage of the usually dry Diet Sessions received an unusually high audience rating of up to 7%. At his Liberal Democratic Party headquarters, a variety of items with a Koizumi motif went on sale, including straps for cell phones and posters, which sold like hotcakes. Unprecedented for a politician, even a coffee-table book of Koizumi photos was published, selling over 200,000 copies in less than a month. By far, Koizumi was the most talked about Japanese person in 2001.

Ryoji Noyori ■ Dr. Ryoji Noyori, Professor of Chemistry at the Graduate School of Science, University of Nagoya, won a Nobel Prize in Chemistry for his work on the development of catalytic asymmetric synthesis in the field of organic chemistry. Dr. Noyori became the tenth Japanese Nobel laureate, following Hideki Shirakawa, who won the Prize in 2000, and was the third Japanese recipient of the Nobel Prize in Chemistry.

The movie "Sen-to-Chihiro no Kamikakushi (The Spiriting Away of Sen and Chihiro)" ■ *The Spiriting Away of Sen and Chihiro*, directed by Hayao Miyazaki (distributed by Toho) achieved record box office success in Japan, surpassing the sales and attendance established by *Titanic*. As of November 2001, the movie had grossed 26.2 billion yen, and sold 20.23 million tickets. The film is also to be released in foreign countries.

■ **“FINAL FANTASY X,”
a game application**

FINAL FANTASY X, the first title in the FINAL FANTASY series made for PlayStation2, was released. With an initial shipment of 2.14 million copies, this was the first PlayStation2 title whose initial shipment exceeded two million copies. The series itself boasts worldwide sales of about 33 million copies, and this title attracted a great deal of attention prior to release because of its many improvements to enhance entertainment value. Its high quality images were full of realistic sensations, and characters featured very realistic facial expressions when they spoke.

Minimal design — compact, simple and stylish

■ **Collapsible bicycles**

Collapsible bicycles gained popularity. Newer models were lighter in weight and equipped with multiple gears and suspension mechanisms, and they were easier than ever to fold up. They also offered more color variations, which successfully attracted fashion-conscious riders. Specialty stores and collapsible bicycle clubs for enthusiasts were created. Though the overall shipment of bicycles in Japan remained virtually flat, shipment of collapsible bicycles increased, carving out a new niche market that was expected to last.

■ **Thin-bodied TVs**

Thanks to LCDs and plasma displays, TV sets became flatter than ever. Improved all around, they boasted bigger screen sizes, lighter weights, more reasonable prices, better energy conservation and higher picture quality. Flatter TVs were positioned to take the mainstream, replacing the CRT-based TV, which could soon be a thing of the past.

■ **Silicon audio**

Sales of silicon-based audio devices, which utilized semiconductor memory for recording and playing back music, rose sharply. The primary reason for the popularity of these devices was their chic. Because no motor or other drive was needed, they were lightweight and compact. They could be worn in a number of ways, even like a necklace or bracelet. With improved functionality, silicon audio enabled longer hours of recording and playback time.

■ **Stylish digital cameras**

Compact, simple and clever in design, digital cameras caught on among a wide range of users. With compact bodies and loaded with functions, even expensive models with higher pixel counts sold extremely well.

Refined sensibilities

Teas with a distinct advantage in aroma

Chinese teas in cans or in PET bottles that featured authentic aromas were a big hit. Traditional tea leaves with rich taste and aroma were widely accepted by consumers hunting for the authentic. The variation of Chinese teas available was also on the rise, to include jasmine and *pu-er* in addition to *oolong* tea.

Deodorant powder spray containing silver ions

A new, extremely functional deodorant designed to attack odor at its source by killing bacteria with silver ions, rather than concealing odor with a nice scent, became popular. Unscented, it also appealed to men who disliked the usual perfumed deodorant sprays, resulting in the creation of new customers for this market.

Cosmetics based on new functions

New, functional cosmetics were introduced to the market one after another, ranging from gels to hide wrinkles and pores, to nail colors that dry just by immersing the fingers in water, to mascaras that curl eyelashes and water-resistant eyebrow pencils. Consumers based their selection of cosmetics increasingly on functionality. Some products became hits through the online grapevine.

Next-generation *natto* (fermented soybeans)

Supermarkets began to carry more varieties of *natto*. The nutritional value of *natto* as a health food has been recognized for a long time. But this year, *natto* was presented with new features such as "odorlessness," yielding further popularity.

Chilled curry

New pouch-packed curry made to serve cold on hot rice was released. Some curry restaurants added chilled curry to their menus, which might serve as proof that it became a minor fad in the summer of 2001.

Third-field insurance

With deregulation, life insurance companies were allowed to offer new types of insurance through their subsidiaries in the so-called "third-field" category, financial products which stood halfway between conventional life insurance and non-life, indemnity insurance. This "third-field" insurance consisted of coverage available to individuals to cover injury, sickness or nursing care for the elderly, which until now could only be sold as part of a life insurance package. After the deregulation went into effect, the subsidiaries saw brisk sales of these insurance products, independent of life insurance policies.

Consumers realized they could no longer count on a free ride as far as personal security was concerned. Goods and services that protected people from danger sold like hotcakes. Consumers began to accept the fact that they were responsible for their own safety.

Protection

Anti-picklock products and home security services

The number of home burglaries accomplished by picking locked doors using special tools rose sharply. In an attempt to alleviate fears that their homes were next, consumers bought security-related gadgets in droves. A number of households had their locks changed, prompting lock and key manufacturers to ramp up production. The household security market was exceptionally strong, with strong household demand for goods and services including security alarms that would be activated by the presence of intruders.

Insurance against stalkers

Accident insurance policies for women were created to compensate for any harm caused by "stalkers," or obsessed members of the opposite sex who consistently harass a certain individual. This insurance was basically identical to regular accident insurance coverage, except that a larger amount of compensation would be paid for injury or death caused by a third party, such as a stalker. This development was in direct response to the Law on Proscribing Stalking Behavior and Assisting Victims (Stalker Regulation Law), which came into force in November 2000, stipulating regulations concerning punishment of the act of stalking and making assistance available to victims.

Diagnostic services for sick house syndrome

Demand for diagnoses of the sick house syndrome made by measuring the amount of chemical substances being released was on the rise. In August 2001, the Ministry of Land, Infrastructure and Transport added five chemical substances, including formaldehyde, to its housing evaluation criteria for use in voluntary evaluations by the housing industry.

The aesthetics of eliminating harmful substances

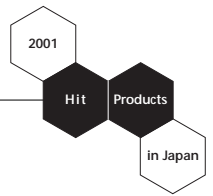
People's defensive instinct to protect their own bodies was stimulated in 2001. Consumers grew increasingly conscious of methods of thoroughly eliminating any harmful substances from their bodies.

Health and beauty goods to encourage healthy elimination

Merchandise designed to remove unnecessary substances from the body gained popularity. Top sellers included beverages that helped get rid of excess sodium and fat, and sheets containing tree sap that absorbed impurities from the body when applied to the sole of the foot. Also, intestinal irrigation therapy performed by aestheticians caught the interest of women, as it claimed to offer clearer skin complexion and weight-loss benefits.

Supplements for weight reduction

Tablets containing seven types of natural ingredients such as seaweed and fish oil became popular. Effective for both weight reduction and clearing up the complexion of the skin, they captured the attention of many women. In addition, brewers' yeast and products containing *chitosan*, a natural diet fiber, were on the roster of the top-selling list.



An increasing number of people preferred having decisions made for them to agonizing over the best choice themselves. Outsourcing was often utilized to make life easier. The number of advisory services giving expert opinions regarding items such as choice of hospital, job changes, personal finances and emotional problems mushroomed. These modern-day advisory services functioned much like the butlers of yesteryear; the only difference was that just about anybody could take advantage of these services, whereas only the privileged could afford a butler.

“How-to” books on human relationships and ways of life

A number of books in the category of “How-to-Live” were on the best seller list, including the hugely successful *Who Moved My Cheese?* (published by Fusosha). The book was used as a text by a number of famous companies for in-house training, and the title found its way to wider audiences, selling nearly three million copies in half a year.

Recommendation agents

When in doubt, just ask the pro. Online sites where one could seek expert opinions on virtually any topics ranging from business, human relationships, childcare, hobbies and shopping attracted attention. In addition, at department stores, specially trained sales staff dispensed expert advice as part of a new service to offer customers with expertise on things like cosmetics, fashion and apparel, maternity, footwear and beer.

Financial planners

The increasingly diversified and complex array of financial products available gave rise to new demand for financial planners who could provide advice on personal asset management and investment. The number of certified professionals in this field also jumped sharply.

ranKing ranQueen

A new concept retail shop, ranKing ranQueen, where all merchandise including foods and daily necessities were displayed in the order of their sales rankings, opened its doors inside the Shibuya train station. It attracted visitors by offering a place to catch up on the latest fads in a single glance.

Location-based information by mobile phone

Mobile phone companies made increasing attempts to improve the quality of location-based information available over the mobile phone. Wherever the user happened to be, information about the local area including stores and restaurants, maps, weather forecasts and coupon vouchers could be browsed and retrieved automatically. These new services reduced the chance of getting lost and freed people from wandering around looking for a place to eat when visiting a new area.

Custom-designed nutritional supplements for the individual

Against a backdrop of increasing health consciousness, mail order services that determined the optimal mix of nutritional supplements for an individual based on his or her physical constitution, as well as restaurants that allowed diners to select dishes according to their physical condition that day, grew in number and caught on quickly, especially among young women.

Published by: DENTSU Inc.

1-11-10, Tsukiji, Chuo-ku, Tokyo 104-8426, Japan

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