



**JAPAN**

## 2015 eCommerce Summary

### One Sentence Overview

Japan has a well-developed eCommerce infrastructure and a digitally sophisticated population that drives mobile sales.

### Mobile Usage

In 2015, half of all eCommerce transactions were conducted via mobile devices (44% smartphone, 6% tablet) totaling over **\$44 billion** in sales.

### Omni-channel Presence

Although Japan has a strong fulfillment infrastructure able to support a mature presence, omni-channel initiatives have not had the same level of consumer demand as other countries.

### Major Shopping Days

eCommerce spending increases during the White Day holiday (March 14th), Japan's summer bonus season, and the international holiday season.

**Global eCommerce Rank: #4**

**2015 eCommerce Revenue: \$89 billion (↑ 14%)**

## Population Density



## Demographics

- **Population:** 126 million
- **Urban population:** 93%
- **GDP:** \$4.9 trillion (#3)
- **Average household income:** \$46,000
- **Average age:** 46.9 years
- **Languages:** Japanese (99%), Korean (1%)

## Why Are Retailers Here?

With a developed economy, small country size, highly urban population, and an exclusively uniform language, the Japanese market is attractive to online retailers. Omni-channel initiatives show future growth potential due to the country's strong fulfillment infrastructures, especially as Japanese shoppers become more comfortable with these solutions and cross-border shopping.



## eCommerce Outlook

### Industry Projections

Japan's eCommerce sales are projected to increase almost 40% by 2018, a market total of over **\$122 billion**.

With the highest digital buyer percentage in the Asia-Pacific region, Japan had 77 million digital buyers in 2015 and by 2018 the total is expected to surpass 80 million.

### Major Holiday

Japan consistently has higher online spending in the summer months when Japanese firms are known to give yearly summer bonuses. In 2015, the average bonus was approximately **\$2,900** and spending primarily focused on luxury goods, leisure, and travel.

## Global Impact

### Cross-border

Just 12% of Japanese shoppers purchased from abroad last year, which is the lowest level of foreign buying activity in the Asia-Pacific region. This could be due to the availability of goods within the country or consumer preference to support in-country businesses.

Though much of the world doesn't look to Japan as a cross-border destination, other countries within Asia favor Japanese goods, especially India (45% of shoppers choose Japan as a top cross-border destination) and South Korea (48%).

### Payment Methods

Over 66% of shoppers prefer to use credit and debit cards as payment when shopping online, with online wallets as the second most preferred method.

## Notable eCommerce Characteristic

**eCommerce Innovation** – As a country, Japan is a pioneer in technology innovations and is home to one of the most inventive commerce companies in the world (Rakuten). As an example, Japan's mobile conversion rate is the highest in the world among leading eCommerce countries and is more than double the conversion rate of the United States.

*Sources: Country Meters, eMarketer, Knoema, Reuters, Statistics Bureau, The Economic Times, Worldometers*