

Quality in the Japanese Market

As I start writing on ‘Quality in the Japanese Market’, I find it useful to briefly refer to the actual status of Avocado market circumstances (history, consumption, supply countries, characteristics, etc)

*Having been called as ‘Alligator Pear’ in Japan because of its appearance, import volume had been little until late 1970s. It is from 1980s when the import volume started to show a growth.

*Avocado Imported volume (past 10 years) per year attached below according to the official statistics of Ministry of Finance :

YEAR	COUNTRY	QTTY (Ton)	(SHARE %)	YEAR	COUNTRY	QTTY (Ton)	(SHARE %)	YEAR	COUNTRY	QTTY (Ton)	(SHARE %)
2009	MEXICO	26,983	94%	2010	MEXICO	40,372	91%	2011	MEXICO	32,633	88%
	USA	0	0%		USA	3,248	7%		USA	1,562	4%
	CHILE	1,621	6%		CHILE	387	1%		CHILE	1,033	3%
	NZ	0	0%		NZ	546	1%		NZ	1,944	5%
	PERU				PERU				PERU	0	0%
TOTAL		28,604		TOTAL		44,553		TOTAL		37,172	
2012	MEXICO	52,557	90%	2013	MEXICO	52,922	88%	2014	MEXICO	52,273	91%
	USA	4,744	8%		USA	5,957	10%		USA	2,994	5%
	CHILE	535	1%		CHILE	892	1%		CHILE	765	1%
	NZ	719	1%		NZ	686	1%		NZ	1,567	3%
	PERU				PERU				PERU		
TOTAL		58,555		TOTAL		60,457		TOTAL		57,599	
2015	MEXICO	55,105	96%	2016	MEXICO	68,531	93%	2017	MEXICO	56,118	93%
	USA	1,546	3%		USA	2,717	4%		USA	540	1%
	CHILE	100	0.2%		CHILE	175	0.2%		CHILE	118	0.2%
	NZ	812	1%		NZ	1,498	2%		NZ	490	1%
	PERU	25	0.04%		PERU	969	1%		PERU	3,369	6%
TOTAL		57,588		TOTAL		73,890		TOTAL		60,635	
2018	MEXICO	65,456	88%								
	USA	2,854	4%								
	CHILE	99	0.1%								
	NZ	504	1%								
	PERU	5,166	6.97%								
TOTAL		74,079									

As the data shows, Japan has shown an increase of about 260% compared to 10 years ago (2018 vs 2009). Nevertheless, we might say that it is not a large consumption in terms of ‘per capita’ consumption. The volume of 2018 leads us to think that the annual consumption per capita is about 600 g ONLY (or a few pieces of Avocado) –a consumption quite small compared to that of Mexico, Chile, USA etc- (although there may be a considerable volume of Frozen Avocado as well- offered in restaurants, cafeterias, etc).

*Supply countries heavily depending on Mexico –about 90% on average-. Peru is emerging as a new supply country, gradually increasing their market share in our spring/summer months. Geographically speaking, Colombia may be in a good position as its vessel routing is as same as that of Mexico, Peru and Chile which have a direct shipment to Japan Base Port.

*In Japan, the most common is that (as in some other markets) Retailers sell Avocado per piece (not by bag or by weight). Hence, a drastic price increase can easily bring down the demand. As the international Avocado pricing has been on a rise for these couple of years, you may notice that the market growth has been slow or stagnated.

*Diversified ways of enjoying Avocado : we can say that Japan is one of the most advanced countries where people know how to fully enjoy eating Avocado. Believe we have thousands of recipes with Avocado in combination with every food including traditional Japanese cuisine.

Having listed above and taking into consideration of recent import volume (as well as Japanese population decreasing gradually), however, the market seems to be becoming saturated. We definitely need a 'break-through' to further motivate the demand. If we could accomplish it, consumption in Japan again would see a sharp increase as the consumption per capita still has much more room (volume) to grow.

Quality is the key factor to achieve this goal : History of Avocado market development in Japan is a history of overcoming the challenges we had faced in marketing this fruit.

*Geographical challenge : Located in Far East, it is always a disadvantage where Japan is located. Technological advance in shipping such as Controlled Atmosphere equipment did contribute to the sound arrival condition of Avocado.

*Commercial challenge : Once called as 'Alligator Pear', Avocado was not classified as a popular / sophisticated product as it is now. But as they find avocado is full of nutritional advantage, people have come to appreciate its rich taste as well. APEAM / Mexico has contributed a lot in this aspect (and is expected to continue to do so for further growth) in Japan market.

*Technological challenge : Avocado is one of those fruits which require a maturity control before consumption. Ripening facility has continuously been advanced in Japan, because of which consumers are now able to purchase Avocado when suitable / optimum to eat.

Challenges being overcome, what we now have to consider is to be well aware of what our market requires in terms of quality.

SAFETY : A quite recent issue in Japan : Bifenthrin (an insecticide) excessive residue from Mexican Avocado occurred on May, 2019 did warn us again the importance of fruit safety.

After repeated detections of excess of this insecticide, Mexican Avocado is now under mandatory residue test of Bifenthrin before custom clearance is permitted. While we do understand that chemical / fertilizer record is well kept and organized, a supplier / a grower must well be aware of MRL levels in Japan.

In addition, on July 2019, some Peruvian Avocado was also prohibited due to the violation of the Agreement between Peru & Japan governments.

There 2 issues remind us that a supplier should keep an even closer eye on fruit safety and/or Plan Quarantine Requirement.

SUPPLY : Japan market appreciates stability both in supply / quality and in price points.

As for Mexican Avocado, a transition period between Old Crop and New Crop is a very complicated time when Mexican supply is tight and the price is skyrocketed –generally May through July/August-.

If our market is well supplied for above crucial months either by the effort of Mexican suppliers or by ‘new’ and / or ‘emerging’ supplier countries (such as Peru), it will be of good support to stimulate Avocado consumption.

SATISFACTION : Last but not least, it is of great importance to satisfy our consumers to the extent possible and as a result, to create more demand.

In Japan market, for example, Table Grape has been exploring their market with higher growth rate (about 600% increase in past 10 years, say, from 5,390 tons in 2009 to 37,000 tons in 2018). This is mainly due to the increase of varieties (almost seedless) which offered us consumers a wider selection of tastes and a year-round supply.

We believe Hass is 100% the variety exported to Japan due to its vitality. However, if some supply countries can grow and offer different varieties of better quality, different supply period (to supplement efficiently Mexican supply in Japan), more productivity, etc, it would surely change the market panorama.

It would sound like a delusion or NOT foreseeable in near future but if someone could develop and cultivate a ‘Seedless’ Avocado, it surely would be a revolution...

Before finalizing this brief contribution, I would like to introduce a unique customer of mine who runs an Avocado Specialized shop called ‘Avocado-ya’.

‘Avocado-ya’ is a small shop who specializes in (Mexican) Avocado all through the year. The owner –Yamauchi Family- has been running their specialized shop for over 10 years, offering the knowledge of Avocado to consumers as well as dealing in Avocado according to customers’ diversified demands. They are the symbol of further potentials of market opportunities that Avocado can still explore in Japan market. Please come and visit them ‘Avocado-ya (<http://avocadoya.ocnk.net/profile>)’ when you have a chance to come to Osaka, Japan.

And I sincerely wish that this type of Avocado specialized shop will be increasing for further development of the market in Japan :

(Pictures taken at ‘Avocado-ya’)



The owner, Mr. Yamauchi (father and son)



‘Avocado displayed depending on maturity / thousands of Recipes’



‘Avocado Goods (Avocado Oil, Plate, Cup, etc)’