

## **JAPAN TRIP REPORT**

*The International Joint Seminar & Visit to Shin-koto Incineration Plant Tokyo*

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I. Marketing Analysis

## **“Review of Nakamise Dori Area”**

Nakamise Dori street well knowned as one of popular destination for international and domestic tourist in Tokyo, Japan. As a one of oldest shopping central in Japan, this place have a strong Japanese culture atmosphere. In the area of Senso-ji temple it added atmosphere of Japanese culture, some people still use this temple to pray. Also, they have a future provision desk for everyone who want to ask their fortune in every aspect.

Nowadays, Nakamise Dori or Nakamise street have a function for tourist market that selling a traditional and modern variative Japanese item that unique with a good price. From food to body accesoris are provide in this market. In this chapter, I would like to write my analysis in marketing topic of Nakamise Dori.

### a.) 4 P Variance (*Price, Product, Promotion and Place*)

#### - **Price**

Price is one of important point for people consideration before they decide to buy something. If i analyze, the price of goods in Tokyo overall, especially for fashion and accesoris are similar. For example, I compare the price of a branded bag in Nakamise street with some retail in uniqlo, big camera and others retail in shopping area. The small bag with the same model have price about JPY 3,800. This condition not only for that item, also for several item. As a buyer, with this kind of situation I think I could buy that item in every corner of Tokyo without any fear about the fake product. With this strategy, the buyer who come to Nakamise Dori will shorten their time to think before decide to buy the item they want.

Sometimes, people worry to buy the things they want because they want purchase the item with very best price and high quality item (original brand).

Besides this situation, this could become a strength also a weakness in the same time. If we looking from segmentation side, the competition will be very tight between the seller. Mostly in Japan we almost can't find the fake product with the cheap price as exist in southeast asia market such as Vietnam, Thailand and Indonesia. The result is, retail in Nakamise Dori have so many variance product in their display so people could have more goods options.

#### - **Product**

The product in Nakamise Dori, so variative. All item in every store in here sell everything the unique item with Japanese style. In this area, the street food is very popular. A cheap Japanese food with hygiene condition and fresh will be interact almost all visitor. From marketing side, I think this concept very attractive. When people coming in the lunch time or in the afternoon near dinner time, they don't have to worry whenever they get hungry meanwhile they still want to hang around the place, go shopping or enjoy the temple atmosphere, and otherwise whenever people who across the place and get hungry they could make a short visit to this area and meanwhile they could make a sightseeing to the shop around this place. I could say, this is a mutual benefit for each seller in this place. Besides that point, all the food that sell in this area have an interesting packaging and mostly it wrap very good so the quality of the food are guaranteed clean.

In this area, the product that sell in each store are different. It might be similar item, but still different type or anything. So when people go around the store they will not find the exactly same item (even sometimes there exactly same item in different shop) but it's not always occur.

The traditional souvenirs still become the most popular item that sell in this area for tourist. It was interesting, because some of them still handmade item, so sometimes you can't find some item in every place. This item still become interesting item to sell in this area.

From a replica of sword to beautiful umbrella are available in this area.

#### - **Promotion**

Whoever that have a plan to visit Japan, especially to Tokyo commonly they will try to find out references place from internet. When we type only 'favorite destination in tokyo' or 'leisure in Tokyo' in internet search engine like google, we can easily find Nakamise Dori or Nakamise Street in every blog or website. This situation happened because from total visitor who coming to this place share it in internet from social media or their internet blog. Also, the government are facilitate this place to promote in their site to make a campaign to make this place become the place that have to visit by tourist.

To make people willing to share about this place in the internet, especially on their media social this place also provide the service to lend the 'Kimono's' to visitor. Visitor could wear kimono's to walk around in this area, this impress the visitor who want to get the feelings to become a Japanese in almost real. Even not for a whole day, but mostly during people wear Kimono they will take a photo when they wear it, and of course it will be shared on their media social or internet.

This kind of way will be effective for this time, when people get noticed about information from internet rather from other media such as television, radio, newspaper or other conventional media. Beside Kimono, the local business that run from traditional transportation around this area also boost people willingness to share the picture on the internet. The traditional transportation itself are horse-drawn carriage. This transportation were run by a people, so the visitor will have an experience to go around this area with traditional Japanese transportation meanwhile wear traditional Japanese cloths.

Sensoji Temple in this area also help this place to promote themselves as one of oldest temple in Japan. The story about fortune teller in this area make every tourist curious on it. They use people behavior when people still trust to this kind of things. Again, visitor will be very interest to take a photo in the temple area and they will share in the internet.

Besides internet, when I get bored in the plane during flight from Jakarta to Tokyo, I found the article about this place in some magazine that provide from the airlines. They make a good review so automatically it will become one of promotion tools for this place. And when I use the airplane entertainment, the airlines also have information about this area when I looking for good destination in Tokyo.

#### - **Place**

This area are close to the nearest train station in Nakamise Area and also very close to the bus stop. People could get easily come to this place. The place are located in the central area where so many popular store and restaurant in the area. This could become a point to this place where people could come easily.

Besides the strategic place, also this place is located along with the famous temple. From the building itself give impression very traditional, and make people interest to visit. Also, the place are designed look like very traditional, so people will have impression that this place are cheap, even actually for some item have a similar price in the other shopping place in Tokyo.

Each store in this area are contiguous, from food shop to accessories are join each other. People could walk to each store in a short time meanwhile they also could enjoy the temple atmosphere. Visitor could make communication directly with the seller when they want to buy something with their requirement. In this area, mostly the seller could speak English and this become a good point so visitor could ask as much as they want about the goods they're looking for.

Nakamise Dori are placed in temple area, where the atmosphere of old Japanese culture could easily found in this place, this become a point so visitor will have enthusiasm to stay in this place while the place are very clean and everything is well organized.

#### b.) Political

Japan constitutions that applied in 1947, based on 3 principal which is people sovereignty, respect to human rights and war rejection. There's three official government institution which is Legislative (Diet or Parlement), Executive (Cabinet) and Judicative (Court). Diet is a Japan national parlement, it is the highest institution in Japan country and the only one who make a law in Japan. Japanese people could join the election if they already minimum 20 years old.

Not likely Indonesia, Japanese people not choose the president directly, but Diet member choose the prime minister from the member and he or she will form and lead the minister cabinet of Japan. The cabinet responsible to run executive power and under Diet supervision. Japanese people only choose a district head directly.

Besides Prime Minister, Japanese people are lead by the Emperor, but the function of emperor only as a representative and to unite Japanese people, so the emperor mostly responsible with diplomatic function, meanwhile the function to run the country still in Prime Minister hand.

#### c.) Economic

Basically Japan Economy system are embrace Free trade economy system and industrialized. Japan is a third largest economy in the world and Japan product is very effective and efficient. The Japan GDP is a second largest GDP in the world. There so many popular brand from Japan such as Toyota, Honda, Panasonic, Sony, Fujifilm and so many others popular product from Japan.

One of strong industry in Japan is manufacture. Almost 80% export product from manufacture industry, but Japan are leak in natural resources, so Japan industry mostly import the raw material and proceed it to assembling and become an end goods. Export – Import activity in Japan are rules by JETRO (Japan External Trade Organization). The moneter policy are rules by Bank of Japan, the Japan central bank. The currency that officially using in Japan is Yen, it trend mostly stable towards other currency.

#### d.) Social

Japanese people are well known as a hard worker, effective and efficient way in work and have entrepreneurship mental. Their concept of business mostly have export market oriented, so that's why quality and precision become their advantage in international market.

Their effective and efficient way in working has bring their product could compete in international market. One people usually multitasking so company could bring competitive price in the market.

Besides that point, as an employee Japanese people have a loyal mental to their employer so mostly one people will be work for one company in a long term and they will be overcome one field very well. They also very appreciate with time, their culture will be assume a lateness as an insult and they will not respect to people who late. Also, they are very aware with clean environment, the mental to keep area stay clean is one factor why Japan are clean.

#### e.) Technology

Japan well known by its development in Technology. Almost high technology such as robot, automotive and others daily product come from Japan. They always improve their development and research in product regularly.

One of popular technology from Japan is transportation. Transportation in Japan is one of the best in the world. As we know like Shinkansen the fastest train are famous in the world, and other country are trying to compete it.

#### f.) Legal

Japanese Legal especially in business are very friendly to whoever want to set up the business. For foreigner, there's a things that should complete such as status residences and Visa, human resources policy and others government policy about business.

g.) Environmental

Japanese Government have a focus in keep environmental clean. They make a recent technology to manage the waste, how to make a waste to become useful things. As we know Japanese people are aware about their environment to keep comfortable. They build a house as they need only, there's very often to see a big house in Japan and they design the building to not disturb other building.

h.) Recommendation

**1. Business owners in Food field**

Mostly food business in Indonesia are compete in doing promotion in every media, but if we could learn from Japanese people who owned the business food they not only spend their effort in promotion only, they keep the quality of their product so people will trust to their product. Time to serve are counting when they doing the business, because they're appreciate time. This could become a suggestion in Food business owners in Indonesia.

**2. Government in Indonesia**

Actually local government in Indonesia nowadays, especially in Bandung are starts aware to small business enterprises. This is what Japanese government do in Japan, to make a growth in local business. They promote the local business in globally. Government could start with make area in Bandung as a destination for tourist that could make a tourist feels like Nakamise street.



Pic. Store in Nakamise Street

Pic. Visitor in Nakamise wear Kimono's



***Pic. Senso-ji Temple***



***Pic. Visitor took a photo in Nakamise Dori***

## **II. Cultural Analysis**

### ***a.) Differences in Values, Beliefs and Policies***

Japanese people nowadays are mostly have behavior in adapt with global economy recovery. They realize, in this unstable situation they should survive in the condition where the price in every aspect getting high but their income not directly proportional. There so many ways Japanese people do to keep survive their life balance, such as for salary man or employee they bring their own meal for lunch from home rather than they have to buy for lunch. It could reduce their consumption behavior in spending money in high price for lunch. Mostly young people doing this things. Secondly, most of Japanese people have a double job. For example from morning to late afternoon they working as a teacher and in the evening they working as a taxi driver or something. They work hard to keep fulfill their needed.

Other behavior of Japanese people nowadays is, they are always looking for a discount goods or the goods with the best price for they use daily. They not looking for the brand or look from other people, as long as it had a good price with good quality and comfort to use they will use it. For apparel and clothing, Japanese people right now start interest with private – label goods such as porter, annello etc. Retail in Japan expect there's a growth in this kind of item for private – label goods.

The trends right now start moving into the habit of Japanese people whom start love to spend more time in their home rather in outside when they're not working. This kind of thing also switch the purchase behavior to buy the thing via Internet or online shop. It was easily to use and could save the time and money. Information technology have affect Japanese people behavior.

In Japan, to throw away the old goods is not easy, even they have to spend money to throw away the old things. For example, if a family would like to buy the new refrigerator they can't just buy it and bring it to home. First, they have to throw away the old one, and the price to throw away the things is not cheap and they have to looking for the place to throw it away first before they could bring the new refrigerator to home. This kind of things has made the behavior of Japanese people to thinking clearly before they buy something, especially for the big things. Besides that things, to throw away the garbage is not easy. We can't find easily the trash can in the public area, so we have to keep our trash until we find the trash can and throw it away. With this kind of behavior, mostly Japanese people prefer to buy the things that reusable so they could keep it not as a thrash. It leads that Japanese people to buy the things and consider the value and function of the goods. Especially in the era of digital information technology, Japanese people are smarter to choose the goods. They can easily compare the things by the internet only, it makes the businessman should think twice to provide the good item with the good price for consumers goods. For daily life, Japanese people mostly use public transportation such as train for their activity. This kind of things make Japan less traffic jam even in the big city like Tokyo. Also the tax of automotive are increase every year so Japanese people doesn't own the automotive a lot, they only purchase as per they needed.

Healthy life also become a concern of Japanese people. Even alcohol and cigarette could easily find in the retail or vending machine, but they not interest to consume it as habitually. They more interest to doing activity such as sports or only walking when they outside.

### ***b.) Acculturation***

When I visit Tokyo last time, it was summer season and accidentally it was coincide with some of music festival in Fuji mountain. This kind of things, held a music festival in natural place like in mountain or beach usually held in western country like Europe and American country. From this event, I could see that western culture in young people has arrive in Japan. The artist and the event mostly similar with the music festival in western country. Young people in Japan right now more fluently to speak English than 10 or 20 year ago since right now they more interest with western culture, even Japanese popular culture still become their identity like how they style and how they spend the free time.

Western music has become popular also in Japan, especially for electronic music in young people in Japan. Japanese music producer this time mostly make a music similar with western music. The night life in Japan also adapt western life where the music club also popular in the big city like Tokyo.

The culture of entrepreneurship in Japan also popular this time in Japan. Even from small – medium scale business in food business or coffee shop it so popular right now in Japan. The sneakers business also popular in Japan where it used to very popular in American Country. I could say, this time the western fashion style already popular in Japan.

From electronic, in the past Japanese people more likely trust to use Japan product such as Sony. But this time, apple product more popular in Japan from notebook, mobile phone and music player like ipod or tablet like ipad are dominate in Japan electronic market. It compete with Samsung product. Japan product start increasing in the retail market.

In social life, Japanese people used to have a mindset that a man is higher level than a women, especially in working life. Nowadays, as an effect of culture cross to Japan, there's a growth where woman that already have a family also have a strategic position in the company. Even overall, Japanese people still put a man in highest level of structure organization.

### ***c.) World Brands***

From my observations, Japan had several product that exactly same in the product in Indonesia, commonly in fashion, some brands such as Muji, Uniqlo, Anello are also popular right now in Indonesia market with exactly same item. From the food, it also popular such as green tea kit kat, it's actually could easily find in Indonesia supermarket and still become a popular snack in Indonesia. Besides, there's also popular brand in beverages such as Sapporo beer that also exist in Indonesia.

Even the price of the item mostly have a different like Anello, but Indonesia people still have an interest to buy it due to the Japanese brands and have a unique style. Mostly Japanese brand in Indonesia are well known with high quality item with medium level price.

Besides that item, there's also several Japanese popular brand item that not exist in Indonesia or only exist in Japan. Let say Tiger Onitsuka Japan limited edition. The goods only exist in Japan retail only, it was handmade and the stock are limited. Even this kind of item are exactly same with the item that sell in Japan, but the demand in Indonesia still high. It's become the uniqueness of this brand in Indonesia due to it's not mainstream in Indonesia.

### ***d.) Recommendation***

As a recommendation, I have some suggestion as below :

#### **1. Business Owners in consumers goods**

There some point we could learn from Japanese culture nowadays. At first, as a businessman we couldn't only stuck in profit minded, we have to start thinking about the environment. However, when we live in a dynamic and good environment, it could make easier the business world. It could start with provide our product with reusable packaging, at least we could reduce the thrash in our environment. Also, it could make a value of our product in customer mind where we sold the product with kind of that benefit.

Second thing, if we have a business in retail, it is not a problem. It could still working as there a chance people visit a store to buy the stuff. But we should start thinking with digital market, where people start doing purchase activity by online shopping. Whatever your business is, especially in consumer goods I think promotion in internet are needed from marketing side, and it will be a point plus if you also make a platform like an application in smartphone.

## 2. Government in Indonesia

What our government doing right now in infrastructure development is a good step, from that government could facilitate society for mobility. Besides that, if we looking for entrepreneurship in Japan with export market oriented, actually we have a strength with a big population in Indonesia to become a supplier of manufacturing product in International market. We have a point plus from the labor cost if we compare with Japan. As we know, minimum salary in Japan are far from minimum salary in Indonesia. If our government could support from bureaucracy side to make easier businessman start a business in Indonesia and support for export activity it will become an advantage in Indonesia product.



*Pic. Shibuya Street*

### III. Company Visit



*Pic. Executive Class of UNPAD Batch 47 Magister of Management Programme in Shin-koto Incineration Plant Tokyo.*

#### a.) About Shin-koto Incineration Plant

Burning is an excellent way of processing waste and recycling energy because combustible waste is burnt in a hygienic manner, reducing the volume to 5% while heat generated serves to generate electricity for energy recycling. Shin-Koto Incineration Plant is a magnificent building, a touch of modern architecture in which divided into several rooms, equipped with sophisticated machine tools.

The process of handling waste using incineration methods in which garbage burned with a high enough temperature can adversely affect the surrounding environment, for example, air pollution (the emergence of dioxin gas that is harmful to human health). However, with a fairly sophisticated technological approach, the Government of Japan is increasingly able to minimize its negative impact. In the early stages, all communities are required to sort waste into two categories: burnable and unburnable. Garbage generated by nearly 9 million people (about 8,000 tons per day) then transported to incineration plant for burnable waste and to recycle plant for unburnable waste every day.

In the incineration plant, waiting for the crane that will stir this garbage, so that the sized garbage variations are mixed with each other to facilitate the burning. Furthermore, the garbage that has been fused is burned with temperatures reaching 800 degrees Celsius. This technique not only effectively reduces the volume of certain

waste to almost 1/20 of the actual size, but also reduces the dioxin gas generated from combustion. More sophisticated, the thermal energy generated from the combustion process is used to supply all the electricity needs in the incineration plant and the rest is sold to the electricity provider.

This incineration plant also produce ash and fine aggregate which used as material material mix for hardening pedestrian area, highway, and even building. Water with high temperature from the burning of this waste is also used for the needs of tropical plant greenhouses.

It takes 28 step process from the garbage truck some in to the plant until it process until the trash become useful things.

#### **b.) Recommendation**

From the experience of visiting Shin-koto plant in Tokyo, I have some recommendation that local government could take for garbage problem in Indonesia. The recommendation as below :

1. Separate between organic and non organic waste from society. After separated it, then separate non organic waste between burnable waste and unburnable waste.
2. After separate it, proceed the burnable waste and searching for the right way to proceed unburnable waste.