

8 Sailboards: A Competitive Market

The Market

Until 1982, Japanese and imported sailboards had equal shares of the market in Japan. This market had total annual retail sales of about \$30 million at the end of 1982.

Between 1983 and 1988, annual retail sales of imported sailboards hovered around \$20 million, whereas annual retail sales of Japanese sailboards decreased steadily from a high of \$15 million in 1983 to a little over \$2 million in 1988.

By the end of 1988, in terms of retail sales, imported sailboards accounted for over 90 per cent of the entire market as sales of domestic sailboards fell considerably. The overall market, with total retail sales of \$26 million in 1988, is now expanding at an annual rate of less than 3 per cent. An estimated 40 000 Japanese use sailboards. This shift in market supply is due to the failure of the main Japanese manufacturer, Windsurfing Japan, to satisfy local demand for sailboards in the mid-1980s. As a result, trading companies supplied the local market using imported sailboards, which led to oversupply and thwarted the recovery of the domestic sailboard industry.

Competition, therefore, is now between foreign manufacturers. Technical innovations have not been made for several years, and traditional models are the most popular.

The period between March and August accounts for 80 per cent of annual sales. Almost 40 per cent of all sailboard sales are in the Shonan beach area of Kanto which is the most popular location for sailboarders in the country.

There is an active second-hand market that caters to beginners. The most serious users prefer custom-made sailboards which are locally produced.

Table 4

Popular Sailboards

Manufacturers	Sailboard Models	(C\$)
Mitsui Bussan	Équipe	3 950
Sports Hanbai Inc.	Pandera	3 000
Windsurfing Japan Inc.	Festa 360	970
	Warp 290	1 320
Winkler Trading	Lite Viper	3 250
	Lite Cat	3 400
Bridgestone Commerce	B-280	2 290
	DCode 340	1 972
Yamaha Motors Inc.	GP Racer 370	2 910
	GP Racer 270	1 820

The Range of Boards

Board lengths vary from 1.8 to 4 m (6 to 13 ft.); however, 3.6 m (12 ft.) is the most popular length. Ninety per cent of sailboards are mass-produced from polyethylene, FRP, ABS and, most recently, from carbon fibre material. Professionals and experts prefer carbon fibre boards; intermediates buy FRP and beginners learn on polyethylene.

The Buyers

The top 20 per cent of sailboarders are racing professionals. The other 80 per cent are leisure sailboarders who sail once or twice a week, from May to September. Seventy per cent of users are between the ages of 18 and 26. Most are men, though women are becoming more involved in the sport.

Beginners base purchase decision on brand image, word-of-mouth, and recommendations of instructors at schools run by pro shops. Intermediates tend to buy a brand that has a good image, such as a well-designed, high-performance import or a second-hand luxury sailboard.

Many sailboarders at large beaches in Shonan and Suma keep their boards in clubhouses or garages operated by on-site pro shops.

Distribution

Trading companies and import agencies wholesale sailboards to shops. They have large advertising budgets and usually provide product warranties and after sales service. In addition, many pro shops and discount stores buy sailboards from parallel importers.