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# VI. MARKETING

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## Merchandising and Distribution

Product distribution in Japan can be highly complicated, as in the case of consumer goods, or relatively simple, as in the case of industrial products with a limited number of end users. In approaching this system, the exporter must assess his own market by determining:

- where and in what quantities his product or similar products are being sold;
- the usual channels of distribution;
- the wholesalers with access to the largest share of the retail sector; and
- the suitability of the product to the Japanese taste.

Again, the Commercial Section of the Embassy can help. Whichever approach is selected, the exporter should maintain close personal contact with his agent, trading company or wholesaler through frequent visits to Japan. The social aspects of marketing in Japan are unique and require careful handling to avoid misunderstandings that will reduce the impact of the exporter's promotional activities.

In selecting an agent or distributor, close attention should be paid to the Japanese distribution channel for the product involved. In many cases, it is advantageous to forego the wider connection of one of the giant trading firms in favour of a smaller, specialized firm which is often prepared to give more personalized attention and put greater effort into the promotion of products where the potential turnover is small. The Canadian exporter of manufactured products is sometimes best advised to deal with this kind of company. The Commercial Section of the Canadian Embassy in Japan will be pleased to assist you in locating a suitable representative. The representative should also be able to describe local market characteristics (which are helpful in designing packaging) and labelling requirements.

Although trading firms account for about 70 per cent of the country's import trade, their expertise is concentrated in imports of raw materials and commodities for industrial clients. As exporters of manufactured products, the leading firms play key roles in the Japanese