



## **Changing Consumer Behaviour of India: Business Opportunities for Japan**

**Speaker: Dr. Srabani Roy Choudhury**

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Dr. Roy Choudhury began the talk by emphasizing the importance of understanding the consumer class or segment in the current Indian economic scenario essential to create business opportunities. While interacting with the Japanese business officials, the speaker found that the main target of the Japanese business ventures is the growing ‘middle class’ in India. She gave an example of *Shiseido*, Japanese high end luxury brand, marketing their products in India assuming consumers as homogenous both in the rural and urban areas. The speaker pointed that the market needs to understand the changing consumer patterns, and the brand of consumers as their primary targets.

In the first part of the presentation, she focused on the *tourism industry* for the study-essentially from India to Japan, and stated reasons *viz.*

1. The Japanese government are now making efforts to double the number of foreign visitors to Japan for tourism and culture
2. Japan is also focusing on increasing people to people exchanges and one possible way to achieve this is by promoting tourism.

She then discussed the emerging concept of ‘new consumerism’ groups in the form of the professionals, youth, women, and the emerging middle class consumers. With India’s ascendance on global economy and a huge consumer market, has resulted in influx of massive economic investments, and a renewed interest in business opportunities awaiting Japanese business.

The speaker categorising the Indian consumers into several *types* pointed out that large number of children nowadays are influencing parents to make economic choices. She argued this due to occurrence of the internet revolution, where children indulge in net surfing and exploring. The behaviour of double income families who are more indulgent to their children is not to be ignored. The next section which constitutes a major portion of Indian consumers today is the *youth*. This is considered as the 'right' segment to be targeted in the diverse array of Indian consumers, because they are more well informed and high on consumerism, and have a better understanding of the trends in the international market, and thus, seeking for the same. The next section of consumers, i.e. the growing *rural sector*, where technology now is identified by trying to move up the ladder-aping the urban consumers. And the last section is *urban women*, who have transformed from their traditional domestic images to a professional, and are being categorised into professional earners, and the educated housewives, some who are now into power dressing and boutiques and so on. From the Japanese context, thus the main target consumers, according to Dr. Roy Choudhury, are the youth, the womenfolk, and the rural sector in increasing their market share.

Dwelling on online survey through Facebook as a methodology, she targeted people above 35 years with income level of at least 3 lakhs. She divided her respondents into three categories, namely: the high income group, who are self-pampering, constituted 25.7%, 71.9% consisted of the largest group consisting business and pleasure trips with families of having a high inclination for travelling abroad, and lastly 2.4% consisted of professional people who never visited abroad but have a strong inclination to do so in the future.

The speaker pointed that the Internet was a main source of choice for deciding vacations, followed by word of mouth, travel programmes, and travel guides. As a result of this survey, she said that Indian travellers usually visit South Asia, South-East Asia and the Pacific, as well as North-East Asia. The third group-professional aimed for places like Thailand, Dubai and Singapore, and a lot were keen on travelling to the U.S also for educational pursuits of their children. Besides, some of the best choices for some families were exotic locations like New Zealand, Japan and Australia.

The speaker also mentioned about lack of knowledge about tourism in Japan among the Indians; neither did Japan create any kind of image for itself. She went to prove this

situation with help of several case studies of some Indian families with different income levels, and proved otherwise that Japan was known well.

Finally, in conclusion, she suggested for Japan to promote and market its tourism, they also need to widen their target consumers by centring not just on the middle budgeted trips, but also on high income affluent families as well, if given the right knowledge, would like to visit Japan. Through identifying specific target groups, creating and marketing Japan as tourist destination, the need for multi-pronged approach could focus tourists flow toward Japan.

An important reason she thought can be a possible reason for Indians not recalling Japan as a tourist destination is because there is no historical connect of India with that of Japan, like France and Britain, which can a reason why Hiroshima and Nagasaki are popular amongst Indians, who otherwise are not aware of any other Japanese tourist spots. On a last note, the speaker as well as many people from the audience expressed that language barrier is one major reason. However, she also added that there have been attitudinal changes toward Japanese food and culture unlike before.

**Report prepared by Ms. Antara Kar, Research Intern, ICS**

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