

コンビニ

Konbini

Convenience Stores: Can't Live Without Them!?

▶▶▶ <http://www.tjf.or.jp/takarabako/index.htm>

Four pages of *Takarabako* will be devoted to introducing and providing a wide variety of resources and information, mainly about the lives and culture of Japanese young people. Three pages will present various ideas and teaching plans for using these materials in the classroom. In this issue we take up convenience stores.



Photo: 7-Eleven Japan

"It's the middle of the night and I'm starving." "Oh, no, there's a run in my pantyhose!" "I'm sleeping over at a friend's house today, but forgot my toothbrush." "I'm dying for something sweet." "I'm bored!" Convenience stores, called *konbini* for short, answer all these needs.

Thirty years have passed since *konbini* first appeared in Japan as shops providing food and daily sundries at any time, anywhere. Today, they have become an established part of people's lives.

Currently, there are approximately 40,000 *konbini* in Japan. Total *konbini* sales amount to 7 trillion yen. 7-Eleven, which boasts the highest sales in the industry, has 10,000 stores all over Japan, each store serving an average of 1,000 customers per day. This means that one in every ten Japanese citizens shops at a 7-Eleven every day.

Konbini continue to evolve, developing and offering more and more new services.

The Three Conveniences of *Konbini*



Time!

Open 24 hours a day, 365 days a year. Open even on New Year's Day, through Golden Week, and Obon.



Location!

Located close to residential areas, work and school commutes, and in business districts.



Product Selection and Various Services!

Necessities of everyday life are all available, not limited to food and daily sundries, but also cosmetics, underwear, packing rope, and black ties for funerals. *Konbini* offer a variety of services as well. Parcel delivery service; film processing; air ticket reservations; photocopying; fax service; video game software downloads; and ATM service. Payment of electricity, gas, and water utility, and telephone bills, as well as insurance premiums can all be made at *konbini*. It is becoming increasingly common to use *konbini* for payment and pick-up of tickets and goods reserved or purchased online via computer or cell phone.

I didn't know that!

The History of Konbini

The history of convenience stores began in 1927 in Texas, U.S.A. when an Oak Cliff ice seller began selling bread and milk in response to customers' requests. This later developed into Southland, the operator of the 7-Eleven chain. In Japan, Ito Yokado signed a licensing contract with Southland and acquired their expertise while developing product selection and store layout that fit the needs of Japanese customers. In 1974, Japan's first 7-Eleven opened in Toyosu (Koto Ward, Tokyo).

There were 10,554 7-Eleven's in Japan as of September 2004, the largest number in the world. The United States came in second at 5,781 stores, while Taiwan had 3,550 stores, Thailand 2,525, and Korea 1,272 as of April 2004.



Photo: 7-Eleven Japan

The POS System Supporting Konbini

The average *konbini* covers an area of about 100 square meters. The key lies in how effectively sought-after daily sundries can be displayed in limited space. *Konbini* have adopted the POS (Point-of-Sale) system to manage individual stores and entire chains, and they use it to plan marketing campaigns and develop product selections that fit their customers' preferences.

Whenever a barcode is scanned at the cash register, the POS system records the details of the sales' "when, what, and how many." The *konbini*'s overwhelming sales strength originates in the data collected from this system. *Konbini* do not merely sell products, but serve as nodes in a network, collaborating with manufacturers on product development and creating new distribution systems that take even things like storage temperature and delivery frequency into account.



Photo: 7-Eleven Japan

How is the data actually collected? When a customer goes to the checkout counter, the clerk guesses the customer's age from his or her appearance. After the product price has been fed into the cash register, the clerk presses the "customer base" key. At one chain store, a light blue button stands for "male," a pink button "female," and five buttons—"12" for under 12, "19" for 13-19, "29" for 20-29, "49" for 30-49, and "50" for 50 and over—each stand for age groups. Since a massive amount of data is collected at chain headquarters, it is possible to get a general sense of product trends even though the data is based on the estimated ages of *konbini* customers.

Konbini ATMs a Hit

There has been a sharp increase in the number of ATM users at *konbini*. Three major companies (including IY Bank), which operate and manage *konbini* ATMs, counted a total of 280 million transactions in the 2003 fiscal year, five times that for the 2001 fiscal year. By the end of FY 2003, the number of ATMs in *konbini* was 15,987, twice the number in FY 2001. *Konbini* have come to assert their usefulness not only as places to shop, but also as places to withdraw money and settle accounts.



Photo: 7-Eleven Japan

Development of Products

By collecting and analyzing sales data, *konbini* work with top manufacturers to develop products that reflect customers' views on quality and food preferences. *Konbini* take into account health and safety concerns, avoiding the use of preservatives and synthetic food dyes, and there are a wide variety of products, starting with *onigiri* and sandwiches. Over half the sales at 7-Eleven are of original 7-Eleven products.



Photo: 7-Eleven Japan

The Appeal of the Onigiri

7-Eleven sales for the 2003 fiscal year was 2.343 trillion yen, accounting for approximately 30 percent of the 7 trillion yen total in sales of the entire *konbini* industry. About 30 percent of these sales are comprised of fast food such as *bento*, *onigiri*, and bread/pastries. 7-Eleven's total sales of fast food is 670 billion yen, twice that of food-service industry giant McDonald's, which makes approximately 300 billion yen.

In the 2003 fiscal year, 7-Eleven sold 1.039 billion *onigiri*, which comes out to approximately 2.84 million *onigiri* per day. This is equivalent to 8.2 *onigiri* per year for every Japanese citizen (127 million people). Recently, gourmet *onigiri* such as those made with *ikura* (salmon roe) filling or wrapped in *washi* (Japanese paper) packaging have become a big hit, accounting for nearly 20 percent of *onigiri* sales despite their higher price, at around 180 yen.

Savoring the Seasons at Konbini

Especially in urban areas, we can get a sense of the seasons through the selection of products offered at *konbini* and their advertisements. For New Year's, you can get New Year's cards and *osechi* traditional-style foods

and in March, *hina arare* sweets. In May, *koinobori* carp streamers festoon the shop. As summer nears, they offer *ochugen* seasonal gifts, cool-weather fare like *hiyashi chuka* (chilled ramen), and refreshments like *kakigori* shaved ice. In the fall there is *matsutake gohan* (rice steamed with *matsutake* mushrooms) and *tsukimi dango* ("moon-viewing" *dango*), and in the winter there is *oden* (hot *oden* ingredients), *nikuman* (Chinese-style meat pies), Christmas cake, and *toshikoshi soba* (New Year's Eve *soba*).



Photo: 7-Eleven Japan

Answer on page Feature-4

Quiz 1

Aーい

The most popular *konbini* products are A (*obento*, *onigiri*, sandwiches). It is effective to display them facing the entrance where customers can easily spot them.

Bーえ

When you buy a *bento*, you're certainly going to want to buy a drink. If B (soft drinks) are displayed next to *bento*, you'll naturally be inclined to buy a drink as well.

Cーお

The store looks very lively if C (magazines) are displayed so that their covers can be seen from outside the store. Furthermore, the sight of people browsing through magazines gives the appearance of a busy store, pulling more people in. A well-patronized store is less vulnerable to crime in the late-night hours.



Photo: TJF

Dーう

D (gum, candy) is located by the check-out counter. The checkout counter is an area everyone passes. It's a prime location for goods that customers buy on impulse as they wait their turn at the cash register.

Eーあ

Fast food prepared right in the store is displayed next to the cash register, the most common of which are E (croquettes, frankfurters). Soft drinks and smoothies (frozen drinks) are also popular. In the winter, piping hot *oden* and *nikuman*, with their delicious smells, are served right at the counter, making them hard to resist.

Quiz 2

According to one survey,* the top ten *onigiri* ranking is as follows.

- | | | | |
|---|-------------------------|----|--------------------|
| 1 | tuna-mayonnaise (41.2%) | 6 | torigomoku (18.2%) |
| 2 | salmon (40.4%) | 7 | tarako (17.1%) |
| 3 | mentaiko (36.4%) | 8 | takana (15.9%) |
| 4 | ume (25.2%) | 8 | ikura (15.9%) |
| 5 | konbu (22.4%) | 10 | okaka (11.8%) |

The top three *onigiri* collected about the same number of votes, but tuna-mayonnaise is particularly popular among young people. Among people in their forties, it accounted for 27.9 percent of the vote, while over half of the people in their twenties said it was their favorite. On the other hand, *mentaiko* is popular among middle-aged people and seniors; while it gathered only 19 percent of the teenage vote, 44.2 percent of those in their forties declared it the best. Salmon are widely popular among all ages.

* "Survey on Konbini Onigiri"

A survey conducted on the Internet with 488 subjects in their teens to their sixties.
Survey Period: April 28 to May 6, 2004
Source: "Wish Open Report" by Index Digital Co., Ltd.

Quiz 1 Secrets of the Store

There are approximately 2,500 types of products sold at *konbini* in a space smaller than 100 square meters. That's a lot of goods, and they aren't just displayed in a random manner.

Popular products are carefully and exclusively selected on the basis of data collected from the POS system. Unpopular products are relentlessly removed, and in one year, about 70 percent of the products are said to be replaced. The shelf height and product displays are based on human engineering rules, and advanced research on customer behavior patterns is used to develop new marketing strategies.

Take a look at the map below. Which products A-E are sold in sections あ-お? Think about the reasons why they are displayed where they are.

- A obento, onigiri, sandwiches
- B soft drinks
- C magazines
- D gum, candy
- E croquettes, frankfurters



Quiz 2 What's the Most Popular Onigiri?

Below are the ten most popular *konbini* onigiri. Try putting them in order from one to ten, one being the most popular.



ikura (salmon roe)



ume (sour pickled plum)



konbu (kelp)



tori gomoku (chicken pilaf)



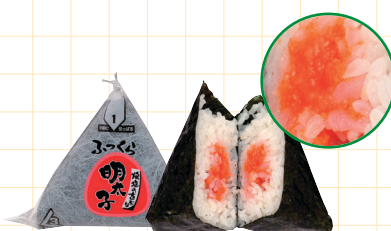
takana (leaf mustard)



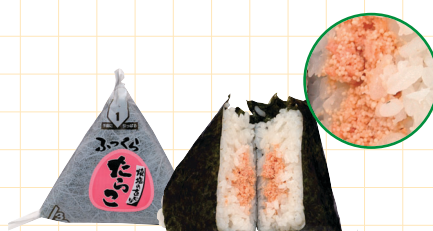
okaka (shaved bonito)



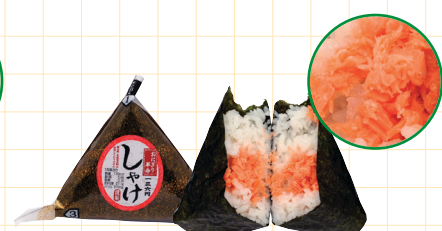
tuna-mayonnaise



mentaiko (spicy cod roe)



tarako (cod roe)



shake (salmon)

Photos: Hongo Jin