



# Minamoto Kitchoan Distribution Deal

By: Sasha Kasper, Ruriko Imai, Kaiyin Chen



## Opportunity

Form a distribution deal between Whole Foods Market and Minamoto Kitchoan and be the first supermarket to expand traditional Japanese confectionary in the American food market.

What are traditional  
Japanese sweets?



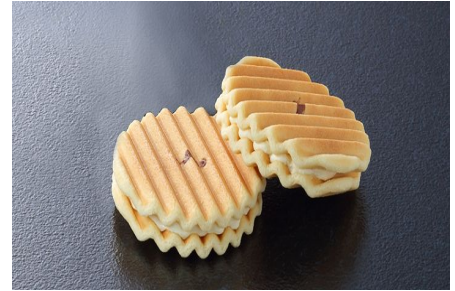
# Examples of Traditional Japanese Sweets (Wagashi)



Mochi \$2/pieces



Chestnut Yokan \$2/pieces



Fukuchi cracker \$2 /piece



Jello \$3/piece



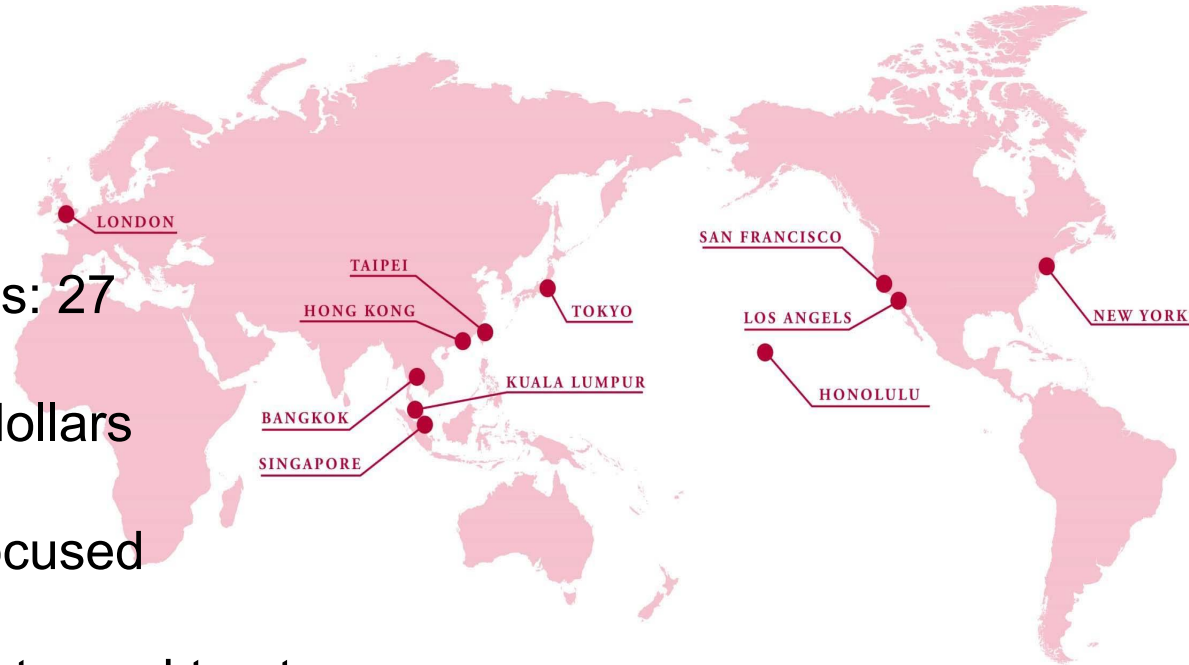
Monaka \$2/piece



Senbei \$0.8/piece

# Overview of Minamoto Kichouan

- Started in 1947
- Number of stores:
  - Japan: 150, Overseas: 27
- 2016 Sales: 300 million dollars
- Our company image is focused on four elements:  
People, ingredients, beauty, and trust





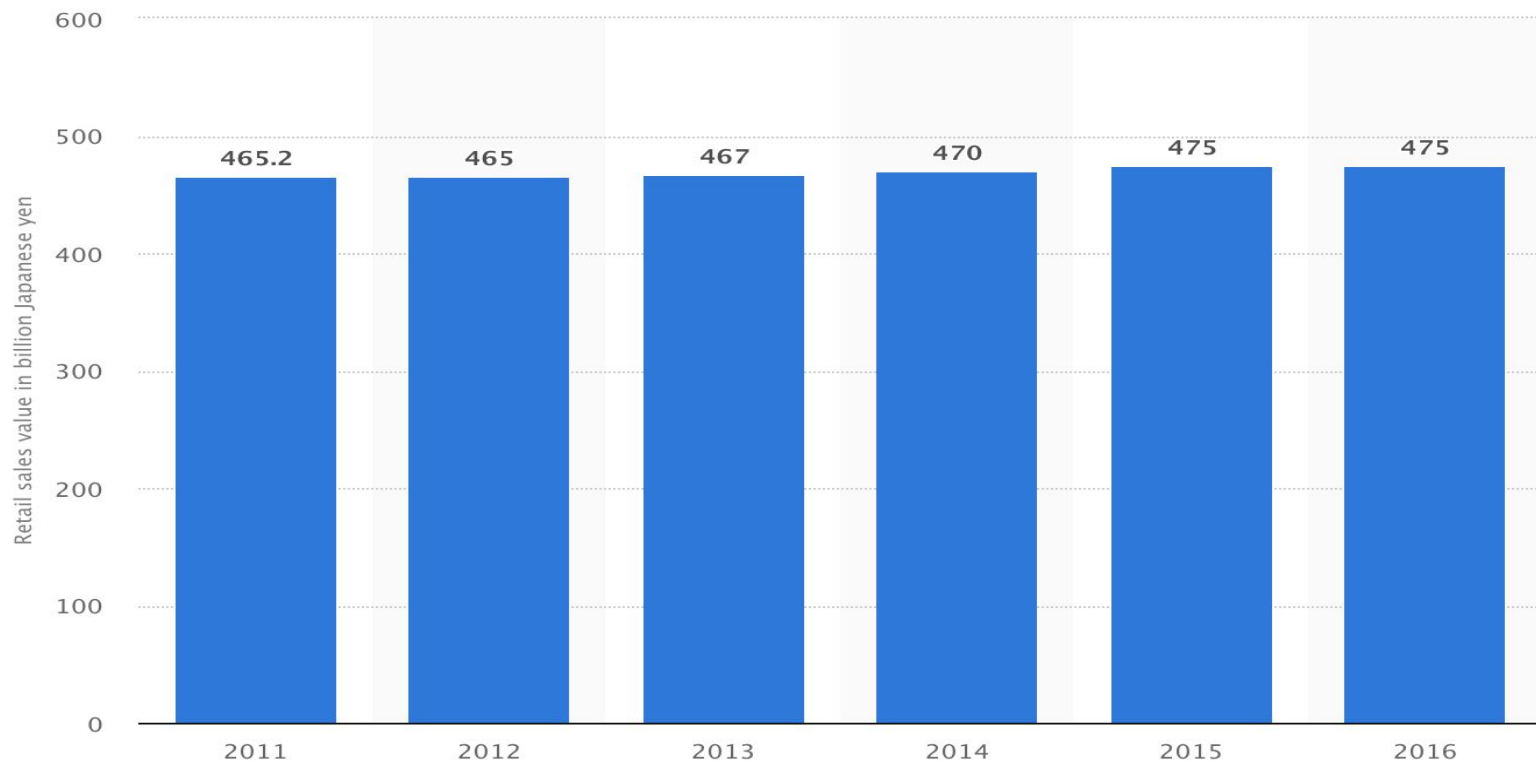
# American Confectionary Market v.s. Traditional Japanese Confectionary Market

**Top 10 Confectionery Markets  
Worldwide in 2014, US\$ Millions**


Country	Retail Sales
United States	31,790.1
China	15,198.7
United Kingdom	14,056.1
Russia	13,393.5
Germany	12,893.2
Brazil	10,866.8
France	8,447.4
<b>Japan</b>	<b>7,795.0</b>
Italy	5,384.1
Mexico	4,763.9

*Source: Global Trade Atlas, 2015*

# Japanese Traditional Confectionery Market 2011-2016



# Why is this a good business move for Whole Foods?



Potential to  
Increase  
Company  
Revenue

Exposure to  
Traditional  
Japanese  
Confectionary  
Market

Shelf Life &  
Product  
Availability



# Wider Selection Available To A Variety of Consumers

- Further expand Japanese cuisine to American consumers
- Convenient shopping location



# The Process From Our Distribution Site to Whole Foods



Okayama Factory Distribution  
Center

Shipping &  
import from  
Japan

Delivery to  
Whole  
Foods store

Available to  
Consumers





# How to Attract The Whole Food's Customer & Continue Product Demand

- Health Market
  - Nutritional Content & Benefits
- Food Industry Trends
- Social Marketability
  - Desirability of Product



# Health Market



Appealing to the Health Conscious American Sweet Tooth



# Nutritional Content & Benefits

Wagashi

v.s.

American Confectionary

Low fat, high fiber  
Low calories count, low sugar



High fat, low fiber  
High calorie count, high sugar





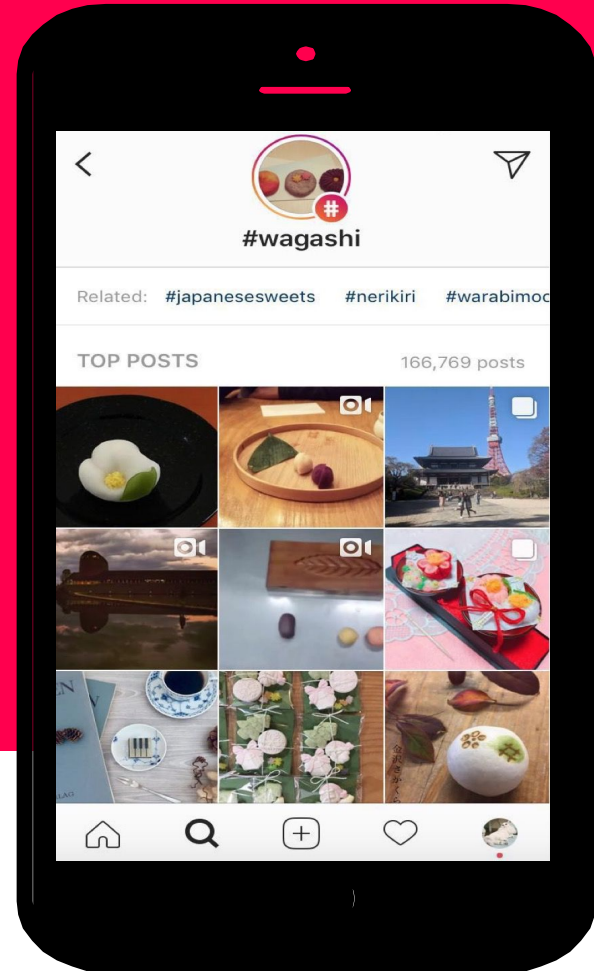
# Food Industry Trends at Whole Foods



- 2017 Trend: Japanese Food, Beyond Sushi
  - Seaweed, matcha, mochi
- 2018 Expected Trend: Plant Forward
  - Plant-Based diets



# Social Media Marketability



# Desirability of Product



- Delicate & perfected appearance
  - Japanese art, seasonal symbolism



# Thank you

ありがとうございました。



# Resources

“株式会社源吉兆庵の企業情報.” 株式会社源吉兆庵 | キャリタス就活 2018 | 新卒・既卒学生向け就職活動・採用情報サイト , キャリタス就活 , [job.career-tasu.jp/2018/corp/00027269/.itchoan.](http://job.career-tasu.jp/2018/corp/00027269/.itchoan.), Minamoto.

“和菓子の種類.” 宗家 源 吉兆庵 | 和菓子のお話・和菓子の種類 , Minamoto Kitchoan Co., Ltd., 2017, [www.kitchoan.co.jp/site/topics/wagashi\\_variations.html](http://www.kitchoan.co.jp/site/topics/wagashi_variations.html).

“千年の歴史を超えて生き続ける和菓子 | 農畜産業振興機構 .” 農畜産業振興機構 , 6 Mar. 2010, [sugar.alic.go.jp/japan/view/jv\\_0208a.htm](http://sugar.alic.go.jp/japan/view/jv_0208a.htm).

宗家 源 吉兆庵 | 季節菓子 , Minamoto Kitchoan Co., 2017, [www.kitchoan.co.jp/site/web/file\\_get.php?category\\_id=9](http://www.kitchoan.co.jp/site/web/file_get.php?category_id=9).

“Amazon Will Cut Whole Foods' Prices, Immediately.” *Fortune*, [fortune.com/2017/08/24/whole-foods-amazon/](http://fortune.com/2017/08/24/whole-foods-amazon/).

Ashkenazi, Michael (2000). *The Essence of Japanese Cuisine: An Essay on Food and Culture*. University of Pennsylvania Press. pp. 106–107. [ISBN 9780812235661](https://www.isbn-international.org/data/product/9780812235661). Retrieved Jan 30, 2013.

Brady, Paige. “Products from Japan.” *Whole Foods Market*, 8 Apr. 2011, [www.wholefoodsmarket.com/blog/whole-story/products-japan](http://www.wholefoodsmarket.com/blog/whole-story/products-japan).

Bureau, U.S. Census. “U.S. Census Bureau Daily Feature for June 3: Sugar Rush.” *PR Newswire: News Distribution, Targeting and Monitoring*, 2 June 2016, [www.prnewswire.com/news-releases/us-census-bureau-daily-feature-for-june-3-sugar-rush-300276222.html](http://www.prnewswire.com/news-releases/us-census-bureau-daily-feature-for-june-3-sugar-rush-300276222.html).

Chung, Chia-Fang, et al. “When Personal Tracking Becomes Social: Examining the Use of Instagram for Healthy Eating.” *Proceedings of the SIGCHI Conference on Human Factors in Computing Systems . CHI Conference*, U.S. National Library of Medicine, 2 May 2017, [www.ncbi.nlm.nih.gov/pmc/articles/PMC5432132/](http://www.ncbi.nlm.nih.gov/pmc/articles/PMC5432132/).

Devash, Meirav, "Trending at Whole Foods Market: Mochi". *Whole Foods Market*, 27 Feb 2017, [www.wholefoodsmarket.com/blog/trending-whole-foods-market-mochi](http://www.wholefoodsmarket.com/blog/trending-whole-foods-market-mochi).

Devash, Meirav. "Try the Trend: Japanese Food Beyond Sushi." *Wholefoodsmarket*, Whole Foods Market, 8 Feb. 2017, [www.wholefoodsmarket.com/blog/try-trend-japanese-food-beyond-sushi](http://www.wholefoodsmarket.com/blog/try-trend-japanese-food-beyond-sushi).

Fraiser, Shannon. "Confectionary Products in Japan." *Global Analysis Report*, 2015, pp. 1–12., [www5.agr.gc.ca/resources/prod/Internet-Internet/MISB-DGSIM/ATS-SEA/PDF/6659-eng.pdf](http://www5.agr.gc.ca/resources/prod/Internet-Internet/MISB-DGSIM/ATS-SEA/PDF/6659-eng.pdf).

Gordenker, Alice, "[So What the Heck is That?: Wagashi](#)", *Japan Times*, 20 January 2011, p. 11.

"Heart-Healthy Eating." *National Heart Lung and Blood Institute*, U.S. Department of Health and Human Services, 22 June 2016, [www.nhlbi.nih.gov/health/health-topics/topics/heart-healthy-lifestyle-changes/heart-healthy-eating](http://www.nhlbi.nih.gov/health/health-topics/topics/heart-healthy-lifestyle-changes/heart-healthy-eating).

Japan: Production Value of Japanese Style Confections 2016 | Statistic." *Statista*, 2016, [www.statista.com/statistics/744660/japan-wagashi-production-value/](http://www.statista.com/statistics/744660/japan-wagashi-production-value/).

*Japan | United States Trade Representative*, [ustr.gov/countries-regions/japan-korea-apec/japan](http://ustr.gov/countries-regions/japan-korea-apec/japan).

Newsroom." *Whole Foods Market Reveals Top Food Trends for 2018 - Whole Foods Market Newsroom*, Whole Foods Market, 6 Nov. 2017, [media.wholefoodsmarket.com/news/whole-foods-market-reveals-top-food-trends-for-2018](http://media.wholefoodsmarket.com/news/whole-foods-market-reveals-top-food-trends-for-2018).

Newsroom." *Whole Foods Market Serves up Top 10 Trends for 2017 - Whole Foods Market Newsroom*, Whole Foods Market, 6 Dec. 2016, [media.wholefoodsmarket.com/news/whole-foods-market-serves-up-top-10-trends-for-2017](http://media.wholefoodsmarket.com/news/whole-foods-market-serves-up-top-10-trends-for-2017).

“The Art of Wagashi at Minamoto Kitchoan.” *Food Gal*, [www.foodgal.com/2010/05/the-art](http://www.foodgal.com/2010/05/the-art).

“WAGASHI – A TASTE OF TRADITIONAL JAPANESE SWEETS.” *WAttention Singapore*, 22 Mar. 2016, [wattention.com.sg/wagashi-a-taste-of-traditional-japanese-sweets/](http://wattention.com.sg/wagashi-a-taste-of-traditional-japanese-sweets/).

“Wagashi Calories in Tasty Japanese Confectionary Sweets.” *Slism*, [slism.com/diet/wagashi-calories.html](http://slism.com/diet/wagashi-calories.html).

“Whole Foods Fiscal Year 2016.”  
[s21.q4cdn.com/118642233/files/doc\\_news/Whole-Foods-Market-Reports-Fourth-Quarter-and-Fiscal-Year-2016-Results.pdf](https://s21.q4cdn.com/118642233/files/doc_news/Whole-Foods-Market-Reports-Fourth-Quarter-and-Fiscal-Year-2016-Results.pdf) .





# Minamoto Kitchoan Distribution Deal

By: Sasha Kasper, Ruriko Imai, Kaiyin Chen