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**Report Highlights:**

This month's issue discusses the current trends in Japan's booming vending machine industry. Clever product innovations that surround this unique industry are discussed throughout this issue.

Japan Food Trends (JFT) communicates Japanese food and beverage trends that may help U.S. exporters to generate product and marketing ideas.

## General Information:

### Current Beverage Trends: Japan

#### “Would you like some Wi-Fi with your Soda?”

Telegraph: February 8, 2012

<http://www.telegraph.co.uk/technology/9068347/Japanese-vending-machines-to-offer-free-WiFi.html>

Would you like some free Wi-Fi (that actually works) with your soda? If so, then soft drink beverage giant Asahi is here to help. The company will be deploying 1,000 new Wi-Fi enabled vending machines this month (February 2012), with an overall goal of 100,000 by 2015. These new vending machines were created with Smartphone users in mind as they will allow people standing within a 50m radius to enjoy free internet access. Users will not need passwords or payment to access the Wi-Fi and they will be able to enjoy a total of 30 minutes of uninterrupted internet access at a time. According to the Japan Vending Machine Manufacturers' Association, Japan is home to the world's highest concentration of vending machines, with as many as one for every 24 people. Japan's vending machines are not only plentiful but also high-tech. These new Wi-Fi enabled vending machines are just the latest in a growing selection of innovative models which are appearing on street corners and railway platforms across the country.



**The Telegraph:** This picture demonstrates a normal Japanese street in Tokyo filled with high-tech vending machines.

#### Note from the Editor:

This is a very useful innovation. I have always been amazed by Japan's “vending machine boom” and the sophistication of their technology. This innovation is sure to hit home with consumers and increase sales among Smartphone users.

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## “Who Needs Electricity Anyway?”

CNN: Asia, March 13, 2012

<http://www.japantrends.com/hand-crank-vending-machine-for-emergencies/>

The convenience of Japan’s innovative vending machines does not stop at Wi-Fi. Following the March 11 Great Eastern Earthquake, Japan faced its first real power-related disaster since the end of the Second World War. Vending machines, although convenient, are useless if the power grids go dark. There is no easy way to actually get at the drinks inside without breaking the machine open in times of emergency. Thanks to the clever minds at Sanden, consider this problem now solved with the debut of the new hand-crank vending machine. According to a Sanden Sales Representative, the new machines will support a hand-crank mechanism that will be able to fully charge the machine with a total of seventy cranks. The power generated from the hand-crank will last long enough for the machine to dispense up to seven soft drinks before it needs to be recharged. Although consumers will still have to pay for the drinks, if another earthquake or other related disaster shuts the power off again, at least people will not go without thanks to Sanden.



**CNN:** Here a Sanden Sales Representative demonstrates the company's new hand-crank vending machine.

### Note from the Editor:

This is another very useful innovation of Japan’s unique vending machines. I was in Tokyo during the earthquake last year, and I would have really appreciated one of these machines on my street with the scarcity of water and other beverages.

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that the new iVend?”

Design Boom: April 1, 2012

<http://www.designboom.com/weblog/cat/16/view/18188/transparent-touchscreen-vending-machine.html>

Tokyo’s high-tech vending machines have long sported touch screen displays but Intel and Okaya Electronics have taken it to the next level by making them *transparent*. This new vending machine, which is set to start appearing around the capital within the next few months, features a 65-inch full HD vertical display window through which customers can view the items for sale. By touching the screen, they can learn more about particular products -- for example, nutrition facts and ingredients. Furthermore, the machines also have cameras mounted on top that can recognize people’s sex, age, gender, and body type in order to recommend products that may suit their needs. When not being used, the system displays entertaining animations, a digital clock, or advertisements to attract the attention of consumers rushing about their busy schedules. The machine also displays ‘public safety mode’ activated in times of emergency that features evacuation routes and other important disaster related information. This vending machine is just another tribute to Japan’s high-tech beverage industry that continues to improve.



**Digi-Info:** Here a new transparent touch screen vending machine is displayed in Tokyo Station.

### Notes from the Editor:

I, for one, think that this is a pretty interesting innovation. It is sure to attract a lot of looks by curious people such as myself, and I have a good hunch this will lead to higher beverage sales.

## “Cash, Credit Card, or Smart Phone?”

The National: News, March 24, 2012

<http://www.thenational.ae/thenationalconversation/industry-insights/retail/swipe-and-youre-settled-with-near-field-communication>

Scrambling around for loose change to pay a taxi driver could soon be an annoyance of the past as smartphone technology continues to become an integral part of our everyday day lives. “Tap-and-go” technology or near field communication (NFC) has been used in Japan for about six years with commuter rail passes such as “Suica” and “Pasma”. Now, this same “tap-and-go” capability will be added into the versatile smartphone platform. Digital-wallet technology seeks to replace standard cash and plastic credit cards allowing consumers to pay for everything, including taxis and eating out, with just a tap of their Smartphone. According to Ed McLaughlin, Chief Emerging Payment Officer at MasterCard Worldwide, "What's going to happen is all your devices, your smartphone, your personal computer, your tablet, they are going to become e-commerce tools. It's much more convenient for the shopper." In Japan, this technology is looking to replace NFC cards in the very near future. Many vending machine manufactures such as Sanden have already hinted that this may appear on their newest vending machine models as early as December 2012. In Japan, it seems like there is no limit for technology as it continues to change the shape of entire industries.



**The National: Here an NTT DoCoMo Employee demonstrates how an NFC enabled Smartphone would work with a vending machine.**

**Note from the Editor:**

I think that as long as the platform is secure from phone theft and hackers then this is a very good idea. The Smartphone is already a MP3 Player, GPS, and mini-computer, so I think that the idea that it could replace money and credit cards is not an unlikely proposition.

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[Summary:](#)

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For this month's issue, we reported the new trends in the vending machine industry. Technology is an integral part of this booming industry with advances in Wi-Fi, touchscreen and NFC "Tap-and-Go" technology. These technological innovations do not only serve as new channels to attract consumers, but they also serve as practical ways to deal with national emergencies and supply shortages. This report concludes that the Japanese vending machine and beverage industry as a whole will continue to become more competitive both in the short and long term.

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