



***How to find distributor or
business partner in Japan?***

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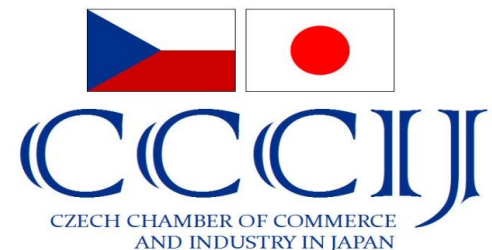
Japan Business Solutions specializes in business matching and advisory service since 2009.

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- enter into Czech/Japan market
- market search, special reports
- soft skills seminars focusing on effective communication between Japanese and Czech colleagues and business partners



EU-Japan Centre
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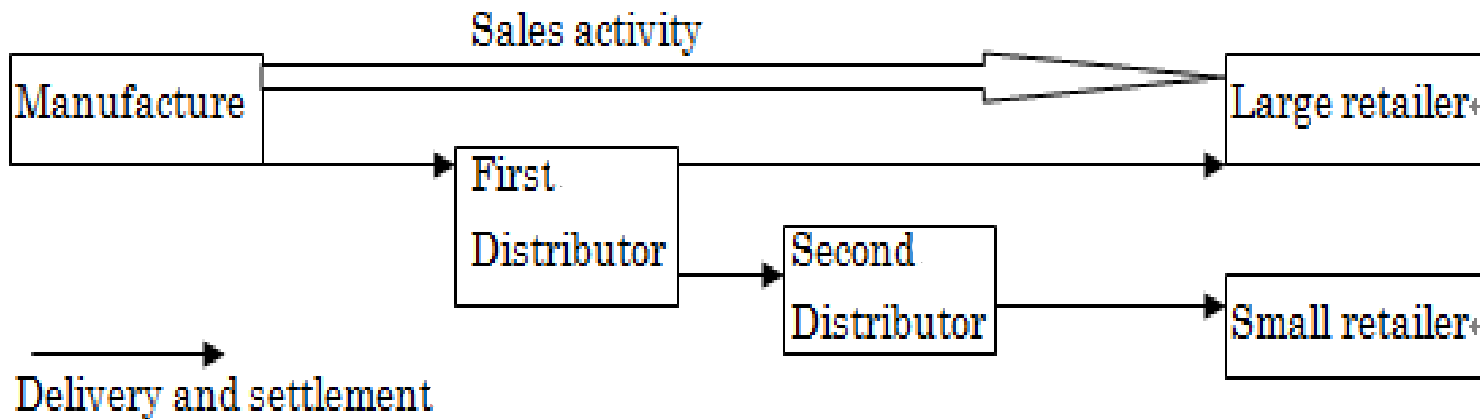


- Examples of distribution networks in Japan
- Main ways of getting into the Japanese market
- Key factors to succeed in Japan

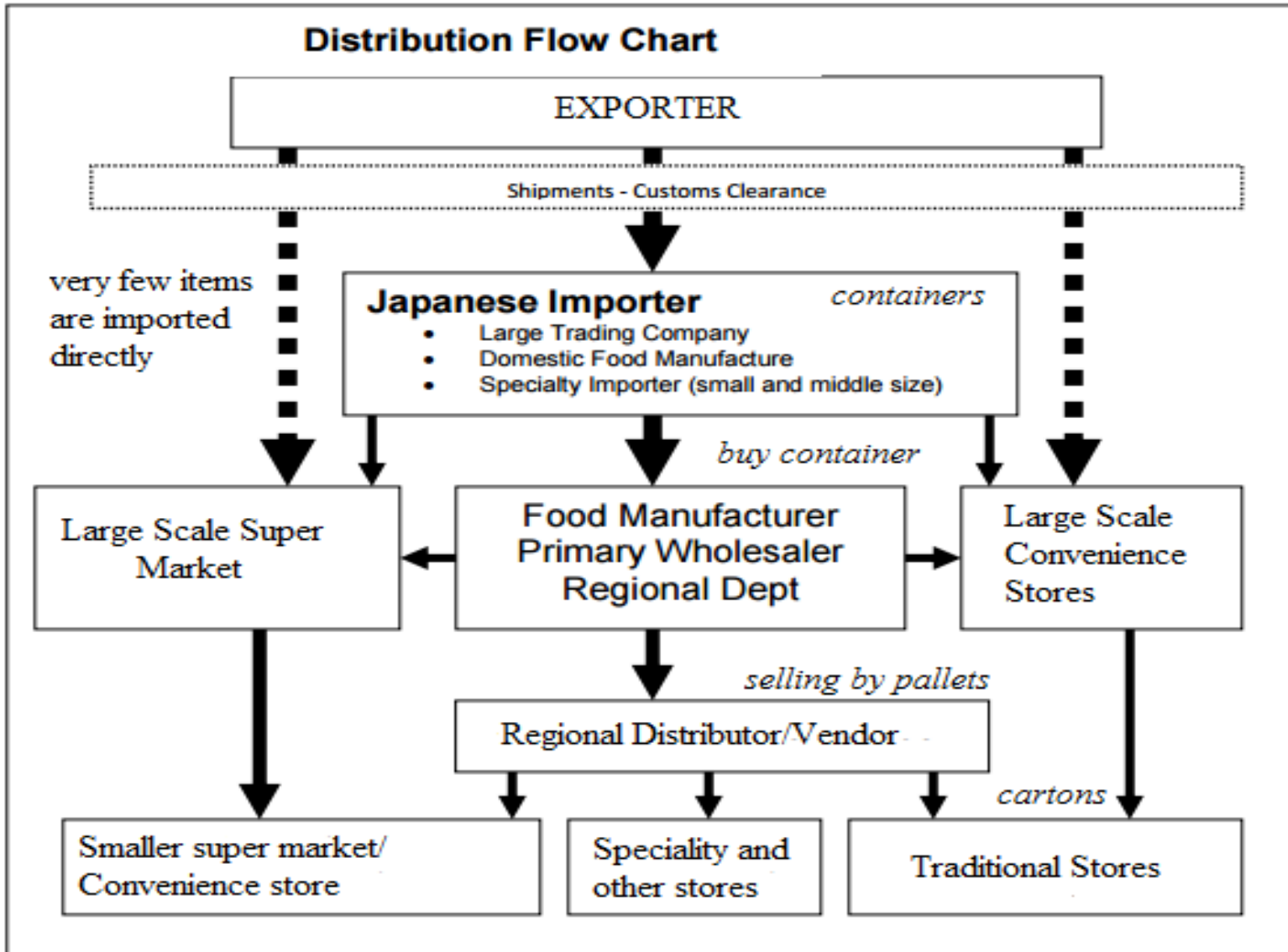


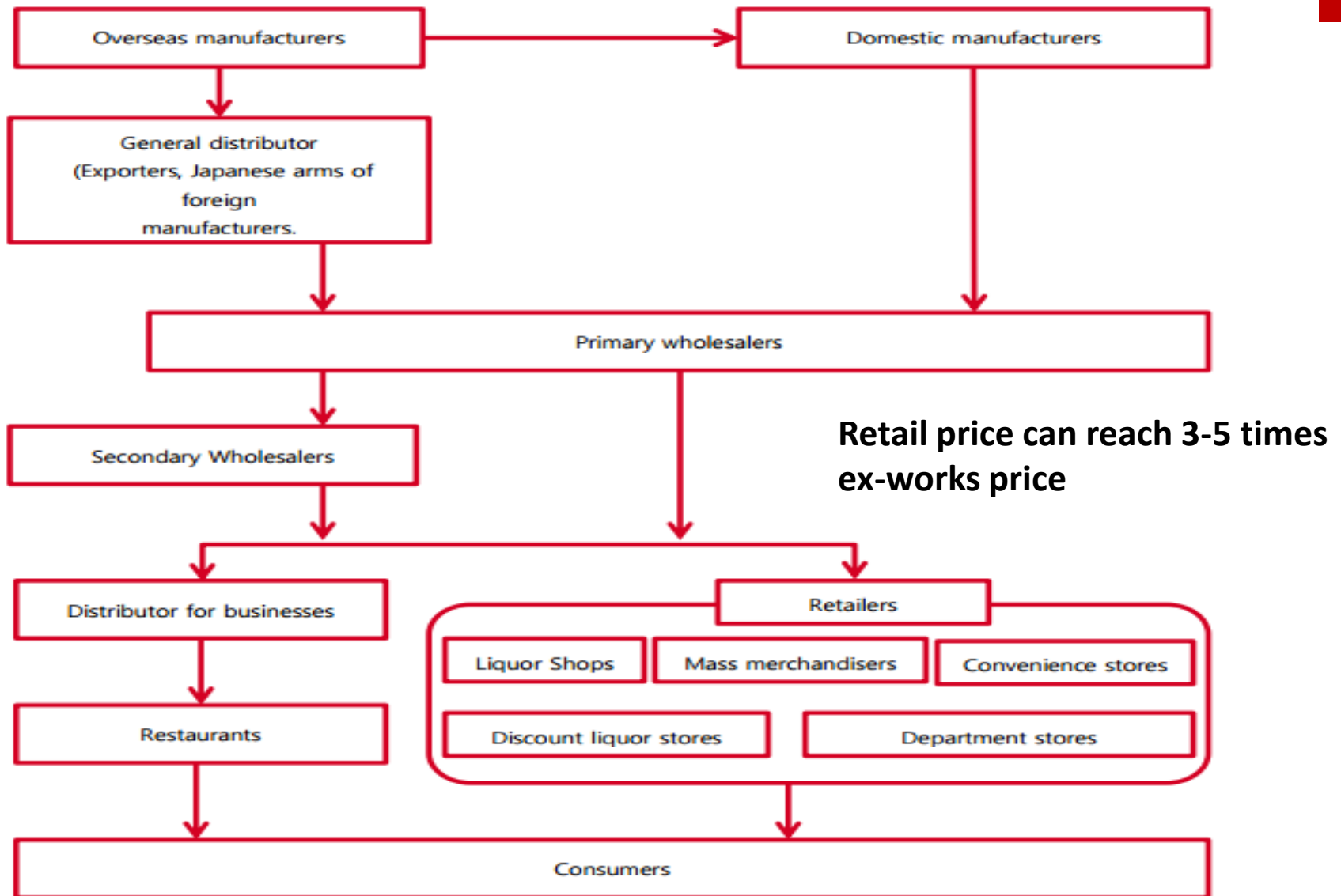
- 1-3 go-between companies before the product reaches the final consumer.
- Selecting the right distributor for a particular product is the most difficult task.
- Quite a lot of European companies signed a contract with the wrong distributor.

Manufacturer and distributor roles in a typical distribution channel



- Manufacturers must do sales activities directly to the large retailers.
- Distributors usually do not do sales activities but take a relatively high margins.
- Distributors specialize in logistics and settlement functions.

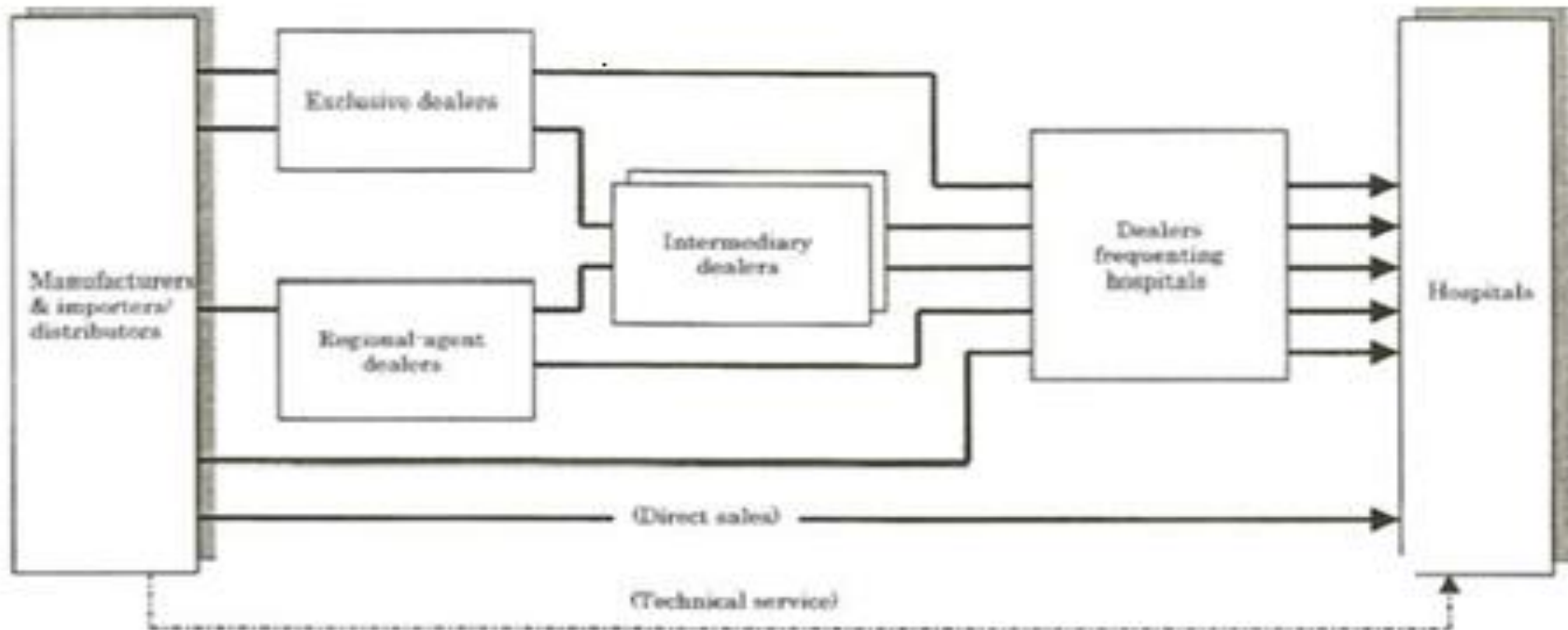




Source: JETRO

Scheme of medical device distribution system in Japan

80% sales via dealers
Dealers take 10-15%



Source: JETRO Japanese Market Report No. 69, *Medical Equipment*, 2004.

Figure 1: Medical device distribution system, p. 72

Main ways of getting into the Japanese market:

- Exhibiting at trade shows, participation in Gateway to Japan, EU-Japan Center or other promotion and B to B matching programmes, JETRO support
- Finding a distributor/agent/trading company (not selling to retailers directly)
- Setting up of an office in Japan

- most distributors are loyal to their business connections.
- potential distributor must have contacts to their target customer segment
- layered distribution system - sharing the risk + in time small volume supply demand

A common mistake many foreign companies do in Japan - try to **sell to the large Japanese wholesaler and retailer chains.**

BUT without office in Japan, these companies are not interested in dealing directly with a foreign company.

Distributors as a secondary channel - in lower price-per-unit and higher volume markets

Japanese partner is not only selling !!!

- **opens market** and finds out customers.
- **provides and creates the sense of stability and security in the business relationships**

Physical presence in Japan



long-term success in the Japanese market.

- ✓ **Distribution system in Japan is a complex, inter-organizational and highly interdependent relationships among firms.**
- ✓ **Distribution for a specific product must be studied** before making any decisions.
- ✓ **Strategies for a market entry will vary depending on the product and the current competitive environment.**

- 1st Step - using a distributor or trading company
- 2nd Step - SME realizes the potential of the Japanese market and decides to be present in Japan.

Thank you for your attention.

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