

Yuru-chara Have High Potential in International Markets



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In an article titled “Japan’s Gross National Cool” (*Foreign Policy*, Nov. 11, 2009), Douglas McGray highlighted the “coolness” of Japanese culture domestically and abroad, while lamenting Japan’s lack of ability to tap into and capitalize on it. One of the ways the Japanese government has been working to do so is by adopting the Cool Japan Strategy, which spans several ministries, to help enhance Japan’s soft power globally. This strategy includes NHK’s show “COOL JAPAN: Discovering What Makes Japan Cool”, the Cool Japan Fund, and the Cool Japan section in *The Japan Times*, Japan’s oldest English-language newspaper. Additionally, part of the Cool Japan Strategy is to “find a new approach to ensure employment and opportunities for young people, and for medium and small business”, while part of the Cool Japan Fund’s objective is to “explode Japanese goods and services on a worldwide scale” with some of its target image being anime, manga, toys and games.

Japan could capitalize on its recent thriving domestic market for *yuru-chara* (mascot characters) by promoting them internationally in order to fulfil its goals outlined in the Strategy and Fund. Here are five reasons why *yuru-chara* would be an excellent choice as part of Japan’s international marketing strategy: they are already part of what makes “Cool Japan”; they could balance out the technological market; there is room for growth internationally; Japan has a history of selling “cute” characters; and they are an authentic part of Japanese culture.

Yuru-chara Are Cool Japan

Photo: Author



A Domo-kun plushy manufactured and marketed in the US

Yuru-chara are unique mascots for entities or regions in Japan — for example, “Kumamon” being the mascot for Kumamoto Prefecture. These cute characters appear at events and on merchandise and can occasionally become popular enough to sell outside their related fields in stores nationwide and can be seen on national television, as in the case with Kumamon. Also, they easily apply to the Cool Japan Strategy because they represent an aspect of modern Japanese culture. Many shops

across Japan sell *yuru-chara* merchandise and locally hosted events put on by a city will often have *yuru-chara* interact with visitors, comparable to Disney characters at Disneyland. Additionally, it is easy to attach these characters to a wide variety of goods, in the manner of Hello Kitty and other Sanrio characters. This means they would make great souvenirs and collectables for foreign tourists to indicate where in Japan they have traveled. The Cool Japan Strategy states that one of its approaches is to “combine Japanese contents and consumer goods”. Using *yuru-chara* as a branding strategy in addition to the product itself would support Japan’s country branding, and country branding leads to the next argument.

Photo: Author



Kumamon

Yuru-chara Bring Balance to Tech Dominance

In December 2014, a global branding company, FutureBrand, released its analysis of the strongest nation brands of 2014-2015 in the report Country Brand Index 2014-15 (CBI 2014-15), and Japan topped the list. According to the CBI 2014-15, Japan’s global strength lies in its technological products. The companies most associated with Japan globally are Nintendo, Toyota, Hitachi, Sony, Toshiba, Panasonic, and Honda. Besides Nintendo, the other corporations are known almost exclusively for their electronics or automobiles outside of Japan. It is worth noting that these companies are much more diverse within Japan and have numerous branches besides electronics. Nintendo is the notable exception as the creator of a popular non-technological product globally through its video games and consoles, Pokémon.

Despite Japan’s economy being ranked first on this list, Japan needs to diversify its country branding in order to achieve stability and confidently expand in the future. The CBI 2014-15 reports that “strong country brands are seen to have expertise across multiple consumer categories” and that “country brands have a competitive advantage” in the global marketplace. Therefore, intensely expanding in areas beyond technology can only benefit Japan’s country brand. Adding *yuru-chara* to international markets would be a suitable balance to Japan’s technology juggernaut because it already has depth within the local market to allow it to expand relatively easily. In addition, *yuru-chara* already have an established history and a distinctive Japanese flavor that could help improve Japan’s national branding efforts beyond the influence of electronics companies.

Opportunity for Expansion for *Yuru-chara*

Another argument for expanding *yuru-chara* into international markets is that these markets are open and unsaturated, especially in countries like the United States. The concept of *yuru-chara* doesn't exist in the US as it does in Japan. The first reason is that states or regions do not have characters to represent them on campaigns or merchandise; second, characters mostly exist within stories from television, books, movies, and comics; finally, logos and brands from US companies are not generally cute unless directed toward children. All these aspects mean that if marketed right, *yuru-chara* have a potentially fertile ground in international markets because there is no direct competition. The lack of competition to *yuru-chara* means there isn't much guidance to rely on for these types of characters, but similar successes with cute characters like Mickey Mouse — an example of a domestically and internationally successful character among all age groups — show there is potential for *yuru-chara*.

Established Precedent

The last and strongest argument is that Japan already has a history of exporting cute characters to international markets. Famous examples of successful characters are Pikachu and Hello Kitty, but another example not so well known is the character Domo-kun, which was successful in the US. The broadcaster NHK created this monster mascot in 1998, naming it after the word *domo*, a common greeting in Japanese used by the announcers at the station. Domo-kun was invented for a domestic audience and was never intended to be used internationally. However, by the late 1990s, the Internet was expanding rapidly and images from around the world could be shared by anyone with a connection.

Consequently, Domo-kun's image was increasingly shared on English language forum sites by the early 2000s. But while Domo-kun's image was easily accessible on the Internet, Domo-kun products were initially only sold in domestic markets and online shops were not as robust as they are today. Accordingly, by the mid-2000s Domo-kun was a rare Cool Japan commodity that was in demand internationally, especially in the US. Some people began to write blogs bragging about how much Domo-kun merchandise they had acquired, while others made videos that showed off their collections and posted them on sites such as youtube.com. Now Domo-kun even has his own English-based fan site titled domonation.com. Eventually, he was so popular that Target Corporation bought the rights to use his image in the US for their Halloween sales promotion material in 2005. Afterward, 7-Eleven, Inc. in the US bought the rights to repurpose Domo-kun to produce



Funassyi, unofficially representing Funabashi city in Chiba Prefecture, poses upon his arrival for the MTV Video Music Awards Japan 2014

new commercials to sell slurpees, a frozen flavored drink product not widely available in Japan. Moreover, some American retailers, including Urban Outfitter and Hot Topic, officially sold Domo-kun merchandise. Eventually in 2009, TokyoPop produced an

English-language manga based on Domo-kun. All of this shows he is an exemplary reference for how *yuru-chara* could access the global markets.

Yuru-chara Are Authentic

Authenticity is important in helping maintain a Japanese brand that actually represents Japan and it helps marketing to knowledgeable consumers. Domo-kun was able to become popular not only because he was an ideal example of Cool Japan, but because he was authentic. People in the US and other countries believed they were getting a product that represents authentic modern Japanese culture. If *yuru-chara* expand into international markets, it is important that they maintain their perceived authenticity. One way of doing this is to lessen their localization. People can easily search the Internet to view the original ones in Japan and if their discrepancies are too vast it may turn off some potential consumers. Consistency between *yuru-chara* for domestic consumption and for international consumption is important when trying to garner interest in the culture as a whole, as well as in the individual character.

However, authenticity is hard to quantify for international goods because of localization and value reassignment. For example, when Domo-kun expanded in the US market, some of the values assigned to him as a product were absent and further values were added consciously and unconsciously by the consumers. This means Domo-kun transformed from a soft and loveable young monster to an energetic and rocking teenage monster. These value shifts happened without the aesthetics of Domo-kun actually changing. Additionally, another one of the values that the early consumers of Domo-kun products in the US perceived was the fact that Domo-kun is Japanese. But that facet of Domo-kun's character isn't relevant to how Japanese consumers view him as compared to American consumers.

Conclusion

Yuru-chara are delightful Japanese creations that have a lot of potential domestically and abroad, and while they are being capitalized to the near fullest extent within the country, Japan as a whole is missing out on marketing these characters globally. There is much that these characters could accomplish if given the proper impetus. However, as with all potential, it would have to be unlocked properly to be effective, but once done, *yuru-chara* could be a remarkable tool in Cool Japan's arsenal. One of the most essential factors in marketing *yuru-chara* globally in the future would be maintaining each character's authenticity and not overtly localizing them for each destination. **J.S**

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Hiko-nyan, official mascot character (*yuru-chara*) of Hikone city, Shiga Prefecture posing by Hikone Castle