

Doing Business in Japan

Edited by Jane Withey; KeyPorter Books, Toronto/The Canadian Chamber of Commerce in Japan, Tokyo, 1994, paperback, 304 pages, Canadian \$21.95

If not already in the Japanese market, should one still be considering it? Naturally, this book answers with an emphatic "Yes." That question and answer are the concern of the first section of this book, which emphasizes economic forecasts and the profile of Japan's imports.

This part is, I believe, the one least likely to appeal to readers, not due to any fault on the part of the writers, but because anyone who picks up this book is likely to be at least half-convinced of the prospect of taking the market seriously.

What is of interest, though, is the piece by Kenneth Courtis. Courtis lays out the hypothesis that not only will the Japanese economy recover relatively speedily from the current recession, but that it will rise to still higher levels, outperforming the West into the next century, principally because of its investments in the fast-growing markets of China and Southeast Asia. This prediction is based on the assumption that the far-eastern and Southeast Asian region will itself out-perform the West—which, in turn, rests on the assumption that the entire region will continue to grow in a stable and inexorable way. All of which is, of course, not guaranteed.

The second part of *Doing Business* is closer to the short-term questions anyone considering reaching the Japanese market will want to consider: the nature of its society, market trends, consumer values and corporate behavior. James Lambert discusses how the marketplace is moving from importing mainly resource-products, to more value-added products (machinery, equipment and capital

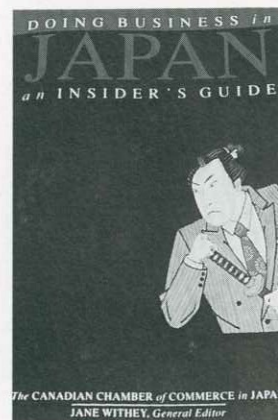
goods)—a fact which is not widely understood by the rest of the world. George Fields provides a full survey of changing consumer tastes, resulting in a revolution in the Japanese distribution system: from shelf-space and market share to profit generation based on information technology.

Gregory Clark argues that the Japanese are the first (and so far, the only) "emotional and non-rationalistic" group of people to have developed sufficient economic strength to join the league of developed nations. He then examines the relevance of this theory to the practical problems of doing business in Japan. James C. Abegglen traces the progression of Japan's industrial successes and examines the challenges posed by the downturn in the economy, as well as the opportunities for Western companies as a result of the restructuring of the economy.

Then follow the eight chapters which constitute the third part of the book and which make it really worth reading. Kevin K. Jones outlines the various options for foreign companies entering the Japanese market for the first time, and evaluates their respective merits. Closely related to market-entry is PR strategy; Kirk R. Patterson looks at the implications, for an effective PR strategy, of working in the "most image-conscious country in the world."

Todd Newfield follows up with the use of advertising, sales promotion and direct marketing. Michael Leslie gets down to business with "Marketing Value-Added Products to Japan," arguing that Japan's increased demand for value-added products represents a tremendous opportunity, but also requires a restructuring of the traditional trading practices. Customer-supplier relationships are still fairly traditional, and Catharine G. Johnston and Mark J. Daniel discuss the factors affecting this tradition-oriented relationship.

John M. Powles sets out to



demystify the Japanese environment, and succeeds largely in what he tackles. It is a pity his essay is not longer, as it elaborates precisely on the matters which newcomers to the Japanese market will wish to have advice: contacts and assistance, tour planning, protocol and food habits, language and interpreters, socializing, women in the workplace, representation in Japan, Japanese recruits, and so on.

Two other chapters are particularly valuable. Russell T. Mark dispenses advice regarding how to go about raising investment capital, while Geraldine Kenney-Wallace examines opportunities in the burgeoning science and technology sector. Very little has been written on these subjects to date, in spite of the extensiveness of business literature on Japan.

Doing Business in Japan finishes with an extensive bibliography which has the additional benefit of Robert J. Ballon's excellent annotations to each of the books mentioned.

Unlike most other collections of essays by different authors, this one is good in all its parts, though not all parts may be appreciated by any particular reader. Nevertheless, this book is an excellent place for any company to begin the process of getting into Japan's inside track.

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