

Shochu Wins in Japan's "White Revolution"

By Kazuyoshi Kajiware

The Japanese alcoholic beverage market today is almost unrecognizable compared to only a few short years ago. And most of the change is due to the new popularity of an old Japanese drink—*shochu*, commonly called "white liquor."

Whereas the consumption of distilled *sake* (rice wine), beer and whiskey—the so-called Big Three of Japanese drinking—has been in the doldrums, demand for *shochu* is on the up and up. Still small, but also growing fast, is consumption of Western-style wine.

According to National Tax Administration Agency statistics, shipments of *sake* declined from 1,550,000 kiloliters in 1981 to 1,510,000 kiloliters in 1982 and 1,480,000 kiloliters in 1983. Beer shipments increased only slightly from 4,540,000 kilo-

liters in 1981 to 4,790,000 kiloliters in 1982 and 4,940,000 kiloliters in 1983, while whiskey shipments leveled off, going from 330,000 kiloliters in 1981 to 360,000 kiloliters in 1982 and 1983.

Shipments of *shochu*, however, increased 150% in just two years, surging from 270,000 kiloliters in 1981 to 320,000 kiloliters in 1982 and 390,000 kiloliters in 1983, even overtaking the old favorite, whiskey. Shipments of wine increased 130% in two years, rising from 55,000 kiloliters in 1981 to 65,000 kiloliters in 1982 and 72,000 kiloliters in 1983.

Most attention is focused on *shochu*. The world liquor market is going through what has sometimes been called a "white revolution," with consumers displaying a clear preference for colorless, transparent

alcoholic beverage. In Japan, *shochu* is the chief beneficiary of this "revolutionary" fervor. Due to its healthful and clean image, *shochu* sales are expected to grow a remarkable 60% this year over 1983. Once scorned as a low-class *sake* fit only for manual laborers, *shochu* is now the reigning product in the Japanese liquor market.

Shochu comes in two categories according to the materials used and the method employed to distill it. "A" *shochu* is almost 100% proof ethyl alcohol diluted with water. "B" *shochu* is made from rice, barley, and sweet potato by the single distillation method, producing the drink's unique aroma.

Just as the materials used and the manufacturing methods are different, so is the way one should drink A and B *shochu*. The stylish way to drink A *shochu*, particularly among the young, is to mix it with carbonated water, fruit juice or liqueur. Young Japanese like the ease with which it can be mixed with whatever they like, and they enjoy the stylish colors the combinations produce.

Cutting alcohol content

B *shochu* is favored by the middle-aged and older who drink it on the rocks or mixed with hot water.

More than 30 varieties of materials are used to distill B *shochu*. They include not only rice, barley and sweet potato but also sesame, chestnut, water caltrop, and even coffee and black tea. Up to 97% of B *shochu* comes from one of many districts in Kyushu, Japan's southernmost main island. There is an abundance of local varieties to choose from, each with its own distinctive flavor.

A typical conversation between middle-aged *shochu* lovers might go like this: Mr.



The growing popularity of *shochu* and wine indicates changes in Japanese lifestyles and social conditions.

Kazuyoshi Kajiware is a staff writer of the *Diamond Weekly*.

A: "I drank rice *shochu* from Kumamoto (a Kyushu prefecture) yesterday. I'll try barley *shochu* from Oita (another Kyushu prefecture) today."

Mr. B: "I've heard that coffee *shochu* from Fukuoka (yet another Kyushu prefecture) is really something."

Obviously, drinkers can enjoy B *shochu* for its variety, both in origin and taste and aroma coming from different raw materials. These are elements which are not shared by A *shochu*, which is simply alcohol diluted with water and which in itself has neither taste nor aroma.

The one thing A and B *shochu* have in common is that in most cases they are mixed with something else. Therefore, their alcoholic content by the time they descend the drinker's throat is low, ranging between 5% and 10 %.

The low alcoholic content, that is, the lightness of *shochu* cocktails, is a strong selling point for today's health conscious Japanese.

"The practice of gulping strong *sake* high in alcoholic content is *passé*," says Takao Morito, manager of the Liquor Section of Kikkoman Corp., Japan's top *shoyu* (soy sauce) maker and a major *shochu* distiller. "People these days obviously prefer light drinks. As far as the alcoholic content is concerned, there is not much difference between *shochu* mixed with hot water, whiskey mixed with water (a Japanese favorite) and beer. People probably think that if the proof is about the same, *shochu* is better because it is healthful, has a clean image and can be enjoyed in an individual way."

Thus *shochu*, which used to be regarded as a cheap and lowly liquor, is now widely drunk by the Japanese. *Shochu* bottles occupy the bar shelves of top-class hotels, and *shochu* is sipped even in high-class Japanese restaurants. At the 13th Creative Cocktails Competition sponsored by the Hotel and Barmen's Association at Hotel Okura in Tokyo in February 1984, a cocktail based on *shochu* won top honors for the first time.

Wine to reign supreme?

Beer and whiskey producers, dismayed by the alcoholic coup d'état, claim that the popularity of *shochu* stems from a lower liquor tax which makes it much cheaper than beer and whiskey. They are up in arms against this tax discrimination, and may have a point. Whereas the ratio of liquor tax to retail price is 40% to 50% in the case of whiskey and beer, it is an incomparably low 10% or so for *shochu*.

Low price is, no doubt, an important point in merchandising. However, Japanese are not buying *shochu* simply because it is inexpensive. In today's mature society, consumers no longer jump

at merchandise of any kind just because it is cheap.

A case in point is the wine market, which shows striking parallels to the growth of *shochu*. Wine sales have risen sharply because of the drink's healthful image and lightness—the same characteristics that sell *shochu*. Many say the wine market has even greater growth potential in the long run.

Whereas it is difficult for newcomers to obtain a license to manufacture *shochu*—in part because of government policy designed to protect small- and medium-sized *shochu* makers—there are no such restraints on would-be wineries. Actually, there seems no end to newcomers in the wine market.

Japan's top-ranking wine makers are Sanraku-Ocean Co., Kikkoman and Suntory. Now, however, beer brewers like Sapporo Breweries and Asahi Breweries are either entering the wine market anew or beefing up their small wine divisions, as are No.1 dairy goods maker Snow Brand Milk Products Co. and top lactic acid beverage maker Calpis Food Industry Co.

Observes Fukiya Takahashi, general manager of Suntory's Wine Division: "Per-capita annual wine consumption in Japan is only 0.6 liters against 8.3 liters in America. Japan is following in America's footsteps in everything, and we can expect per-capita wine consumption here to increase to about 4 liters before long. That is still only about half of the United States' level, but it will expand Japanese consumption by seven times today's figure. In terms of value, the wine market, currently ¥100 billion (\$417 million), will grow into a ¥700 billion (\$2,917 million) business in the future."

Interestingly enough, white wine, which is almost transparent, is more popular in Japan than red or rosé.

Women lead the market

The spectacular growth of *shochu* and wine in the Japanese liquor market also indicates changes in the lifestyle of Japanese consumers and in social conditions.

One of the biggest changes is that Japanese consumers no longer stick to brand names but have begun to show individual preferences and tastes. Says Tamotsu Iida, president of the popular "Tengu" chain of drinking establishments: "Until recently, many consumers favored specific brands of beer, whiskey and *sake* manufactured by famous makers. Today, however, as is evident from the fashion of drinking *shochu* and wine, every individual enjoys what he likes in his own way. It seems to me that at long last Japan is beginning to develop its own drinking culture. (In the apparel and handbag markets, too, the erstwhile craze for Cardin, Gucci and Nina Ricci has begun to subside.)

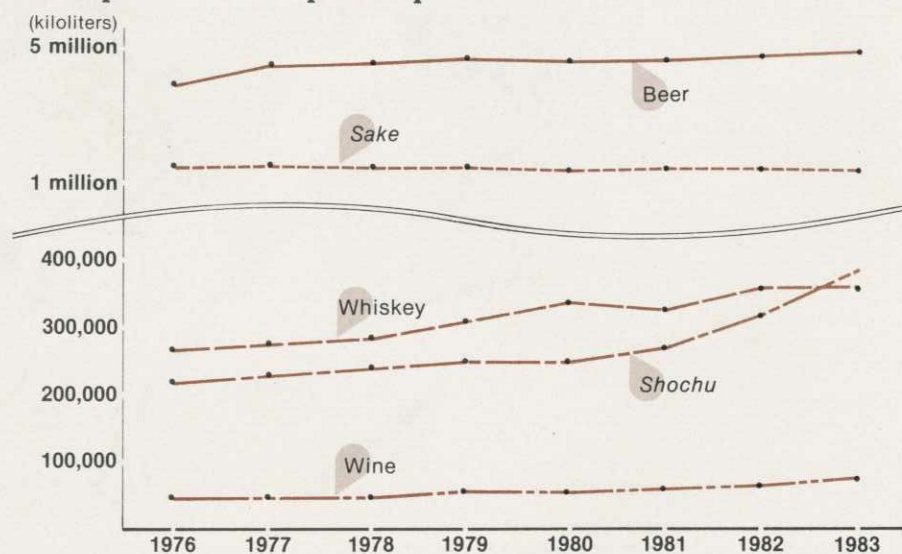
At the same time, women have begun to take the lead in the consumer market. According to Iida, up to 40% of customers patronizing "Tengu" bars are women. Only a short time ago it was inconceivable that women would frequent popular drinking establishments.

And, it is said, it is the women who are behind the growth of *shochu* and wine.

According to the 1984 report on working women issued by the Ministry of Labor last October, the proportion of married women working outside the home reached 51.3% in 1984, topping 50% for the first time. Today, more than one-third of all employed workers are women.

As these figures show, more and more women are able to enjoy *shochu* and wine with their own money. In the alcoholic beverage market, as elsewhere in Japanese society, leadership is shifting to the women. ●

Consumption of Most Popular Liquors



Source: National Tax Administration Agency