

Tuomo Heikura

## **Nordic Food in Japan**

Market Potential and Brand Image

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Tuomo Heikura  
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## ABSTRACT

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Author: Tuomo Heikura

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This bachelor's thesis examines the market potential and brand of Nordic food and berries in Japan and has been produced as a part of the Arctic Berry Wax Project which is a cooperation between multiple different Nordic universities. The primary goal of the Arctic Berry Wax Project is to produce environmentally sustainable methods to extract wax from arctic berries by using industrial side streams and waste as a base. One goal of the project is also to find out applications to use the wax in different industries and create potential wax-based products. In this project, Oulu University of Applied Sciences is researching different usages for the wax in products and finding information regarding potential market areas for the wax-based products as well as collaborating with potential business partners.

This thesis aims to study the current food industry market potential in Japan for Nordic based food products as well as researching the brand image of Nordic countries and food in the eyes of Japanese people. The theoretical framework of this thesis is built around background information regarding political, cultural and trade relationships between Japan and Nordic countries as well as information regarding the food and beverage market in Japan. There is also a chapter regarding the branding theory in the form of nation branding as well as food branding theory. The empirical part of this thesis was conducted in a qualitative manner, in the form of an interview and a questionnaire. The interview's aim was to research the market potential of Japan, and the questionnaire aimed to collect information regarding the brand image of Nordic countries and food.

On the basis of the results, Japan indeed offers opportunities for Nordic food companies. Nordic countries also have a positive image in Japan currently which should definitely be used by Nordic companies when they start marketing their products in Japan. Entering the Japanese market can be a challenging task for Nordic companies because of the cultural and language barriers. It is strongly advised to use consultants' help when planning to start a business in Japan. In the future, this research can be expanded by researching the market potential of specific food products or ingredients in Japan or by making a deeper analysis of the Nordic brand image in Japan.

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Keywords: Nordic, food industry, brand image, Japan, berry, market potential

# CONTENTS

1	INTRODUCTION .....	5
1.1	Research problems .....	6
1.2	Research structure and methodology.....	6
2	JAPAN AND NORDIC COUNTRIES .....	8
2.1	Trade relations between Japan and Nordic countries.....	9
3	NORDIC FOOD .....	13
3.1	Berries as food .....	14
3.2	Food and beverage market in Japan.....	15
3.2.1	Future trends in the Japanese market.....	16
3.2.2	How EPA effects food market .....	17
4	BRAND.....	19
4.1	What is a brand .....	19
4.1.1	Brand equity and development .....	20
4.2	Nation branding .....	22
4.2.1	A conceptual model of nation brand identity and image.....	23
4.2.2	Country of Origin Effect (COO) .....	24
4.3	Food branding .....	26
4.3.1	Food tourism and food branding associated with country branding .....	28
5	RESEARCH METHODOLOGY.....	30
5.1	Research method .....	30
5.2	Data collection methods .....	31
5.3	Analyzing methods .....	34
6	RESULTS .....	36
6.1	Interview with Japan-Nordic trade professionals .....	36
6.1.1	Interview summary.....	37
6.2	Questionnaire for the Japanese people.....	39
6.2.1	Questionnaire summary .....	42
7	CONCLUSION.....	45
7.1	Validity, reliability and significance .....	46
8	DISCUSSION .....	48
9	REFERENCES .....	50

# 1 INTRODUCTION

This thesis was produced as a part of the Berry Wax Project. The Berry Wax Project has a goal to develop methods which allow extracting natural wax from the arctic berries through efficient methods. The Wax Project is a cooperation between University of Oulu, Oulu University of Applied Sciences, Luleå Technical University and Norwegian Institute of Bioeconomic Research. The project aims to find environmentally sustainable methods for extracting bilberry and lingonberry wax from the wild berry industry side streams and waste. The chemical and material properties of arctic berry waxes will be studied to understand berry waxes' applicability in different industries. In this project, the Oulu University of Applied Sciences will be researching and exploring business opportunities for the Berry Wax Project, while this thesis will be concentrating on the Japanese market and try to find out what sort of food products could have potential in the Japanese market. (Berry Wax Project 2017, cited: 10.3.2018.)

Nordic countries have been an exciting and exotic place for the Japanese people for a while now. According to research which analyzed the Nordic countries' brand in Japan indicated that the Nordic countries have a healthy and positive image currently in Japan. Japanese consumers see Nordic goods as high quality and have a keen interest towards Nordic lifestyle and culture. For example, when Japanese consumers were asked what the word "Finland" brings to their minds, most popular answers were product brands like Marimekko, Fjord, Arabia, Iittala, Moomin or words connected to the nature like Northern lights, lake, reindeer, and snow. This thesis tries to dig deeper into what Japanese people who currently live or study in Finland think about Finland and the Finnish or Nordic food. (Lindblom, Lindblom & Lehto 2016, cited 10.3.2018.) Now, Finland also has the closest, and shortest flight routes between Europe and Japan and Finnair is operating four different direct flight routes between Helsinki-Vantaa Airport and Japan. (Finnair 2018, cited 2.5.2018.)

In this thesis, the term Nordic has been limited to three different countries which are Finland, Sweden, and Norway. A reason for this demarcation is that all Berry Wax Project partners come from these three countries. While the thesis addresses the topic from each of these countries point of view, the focus comes from Finland, as during the thesis writing process more material regarding Finland and Japan interaction was found. In this thesis, when talking about arctic berries, a term Nordic berries is used as it goes better with a term Nordic food.

Also, this thesis uses terms bilberries and blueberries which are many times used incorrectly. Bilberries, also called whortleberry, are a low-growing deciduous shrub. Bilberries can be found in woods, heaths or chilly districts of Great Britain, northern Europe, and Asia. Grown bilberries are blue colored and are about 1 cm diameter (Encyclopaedia Britannica, cited 8.5.2018). Blueberries, on the other hand, are grown mainly in highly acidic and well-drained but moist soils in areas with cool climates. There are also many different variations of blueberry species and, for example, the southern rabbiteye can tolerate higher temperatures and is frequently cultivated in the southern United States. Commercially, the majority of blueberries are cultivated in North and South America, but there is a growing number of farms growing blueberries around the world. The berries of blueberries are also round and blue colored like bilberries. (Encyclopaedia Britannica, cited 8.5.2018.) As bilberries are grown in Nordic countries, they are the bigger focus in this research.

## **1.1 Research problems**

This research tries to find solutions to the following questions.

1. What is the business potential of Nordic food and berries in Japan?
2. What is the brand image of Nordic food and berries in the eyes of the Japanese people?
3. What are the characteristics of the food and beverage market in Japan?

These three questions are the ones which are the most important for this thesis to find answers regarding the Japanese market potential for Nordic food and berries. The thesis will also go through the current relations between Japan and the Nordic countries in trade and politics.

## **1.2 Research structure and methodology**

The thesis will be divided into a theoretical part and an empirical part. The theoretical part consists of information regarding the Nordic countries relationship between Japan in politics, culture, and trade. It also goes through the definition of Nordic food and berries and explains the current condition of food and beverage market in Japan. The theoretical part also has a chapter regarding branding and starts by explaining the brand definition, after this nation branding and food branding are explained.

This thesis uses a qualitative approach in the research process. The purpose of this research is to study the country, food, and berries brand in the Japanese market and the market potential for the Nordic berries and food in Japan. The empirical research is done as two different types of studies with two different goals. One research studies the brand image of Nordic food and berries and another one studies the market potential of Japan. More about the research methods, data collection methods, and analysis methods are explained further in chapter five.

The goal of the theoretical part is to explain what the branding is and how it can be linked to nations and food. The theoretical part explains the current relationship between Nordic countries and Japan, but the primary goal is in explaining the characteristics of the Japanese market and explaining brand theories. Resources used for the theoretical part are literature regarding branding and food, online resources such as web pages by governments regarding relationships between Nordic countries and Japan and the import and export data provided by customs. Also, silent data gained from living in Japan is used to understand the Japanese market and viewpoints.

In this thesis, the empirical part is a questionnaire aimed towards the Japanese people, who live or study in Finland and an e-mail interview with Business Finland's Japan trade professional. The questionnaire's objective is to find out what the Japanese people think about the Nordic countries, berries, and food. Especially the brand value is the main topic of the questionnaire, but it also tries to find answers to how Nordic food products could gain success in the Japanese market according to the Japanese people. The questionnaire is an online survey which was sent to the Japanese people through the help of the Finnish Japanese Society (SJY) and the personal connections. The e-mail interview's objective is to find information regarding the market potential of Japan. The research results can be found in chapter six.

## 2 JAPAN AND NORDIC COUNTRIES

In this chapter, the relationships between Japan and Nordic countries are discussed. The chapter starts by analyzing the political and cultural relationship between the Nordic countries and Japan and after that will go to current trade between these countries.

According to Ministry of Foreign Affairs of Finland, the relationship between Japan and Finland is good, and there have been no political conflicts between these two countries. Finland has been a well-known country in Japan, and Finland's image has been modern and positive in the eyes of the Japanese people. In political relations, Japan is a very important partner of Finland as G8- and G20-country in questions regarding the United Nations, international development, and economics. The Finnish ministers have regular discussions about these topics with their Japanese colleagues. The Interaction between Finland and Japan has also increased because of multiple daily direct flight routes between these countries. The base of the close, steady and strong relationship between Finland and Japan has been possible thanks to the decisive efforts of both countries for decades and mutual interest in the culture and the language of the other country. (Finnish Embassy in Tokyo 2014, cited 13.3.2018.)

Likewise, the relationship between Japan and Sweden has also been stable and is, in fact, celebrating 150 years of diplomatic relations in 2018. Mainly this anniversary year is celebrated through different events both in Japan and Sweden. (Embassy of Sweden in Tokyo 2018, cited 1.4.2018.) According to the Embassy of Sweden, one of the first Swedes in Japan was Admiral Johan Olofsson Begenstierna, who set his foot in Japan when visiting in 1647 during a stopover. Around four years after this, seaman Olof Eriksson Willman arrived and ended up staying one year in Japan. Later, Willman published a book titled ***A short account of a journey to East India and Japan***. (Embassy of Sweden in Tokyo 2018, cited 1.4.2018.) This book by Willman can be said to be the first piece of literature which processes the relationship between Japan and Sweden, but it was much later before official diplomatic relations were established between Sweden and Japan. On 11 November in 1868, Japan and Sweden concluded a Treaty of Friendship, Navigation, and Commerce which can be seen as the start of the official diplomatic relations. It was also the first formal treaty with a foreign country signed by the Meiji government. (Embassy of Sweden in Tokyo 2018, cited 1.4.2018.) Nowadays, Swedish design and popular culture have grown much interest in Japan. Since 1999, an event called Swedish Style in Tokyo has been held six times in



Japan which purpose has been to present Swedish fashion, design, art, music, and food. (Ministry of Foreign Affairs of Japan 2016, cited 1.4.2018.)

Norway also has a good relationship with Japan. According to the Ministry of Foreign Affairs of Japan, the diplomatic relations between Japan and Norway were established in 1905. Diplomatic relations between Norway and Japan have been mainly around the trade and economy, in fields such as seafood, shipbuilding, and petroleum. (Ministry of Foreign Affairs of Japan 2017, cited: 1.4.2018.) Norway, like Sweden and Finland, has been seen in Japan among numerous different events. For example, during the 100<sup>th</sup> anniversary of diplomatic relations in 2005, there are quite many different events held in Japan regarding the mutual diplomatic relations. An ice sculpture of the Norwegian parliament was presented at the annual Sapporo Snow Festival in February 2005. Political relations between Norway and Japan are also in good health. These two countries share the same fundamental values such as democracy, human rights, and market economy. Norway and Japan also stand side-by-side in several political movements, including in the United Nations, in cooperation for peace, stability, and the environment. (Ministry of Foreign Affairs of Japan 2017, cited: 1.4.2018.)

Regarding the relationship between Japan, each of the Nordic countries shares similar kind of relationship with Japan. All three countries, Sweden, Norway and Finland, have similar but separate relationships between Japan, where the same kind of values are shared and mutual interests in design, fashion and pop culture can be found. In a video produced by the Embassy of Sweden, it is said that Swedish people and Japanese people have similar work ethics and both countries strive for high quality. (Embassy of Japan 2018, Japan-Sweden: Business Partners in 6 minutes video, Cited: 1.4.2018.)

As work culture in Sweden, Norway and Finland are quite similar it is possible to see why each of these countries have a similar image in Japan. It is also mutual for these countries to have young people, who are interested in Japanese pop culture, animations and video games.

## **2.1 Trade relations between Japan and Nordic countries**

Trade between Nordic countries and Japan have been mainly positive for all Nordic countries. Sweden, Norway and Finland export more to Japan than they import. Comparable items being

imported from these three countries are design and fashion items. In this chapter, the thesis will have a section about what each Nordic country trade between Japan and how their trade balance has been in past years.

Japan is the third largest trade partner of Finland outside of Europe after the United States and China. Trade balance between Finland and Japan has been most of the time favorable for Finland. The most important export goods are machines, metals and along with forest cluster products, while Japan's import to Finland is mainly motor vehicles, electronics, and communications devices. It is hard to estimate the Finnish companies' value of the business in Japan, as most of the products are rarely exported to Japan directly from Finland. Instead, Finnish companies tend to export their goods from China to the Japanese market. The trade of Finnish companies to Japan from China is increasing all the time. (Finnish Embassy in Tokyo 2014, cited 13.3.2018.)

Trade between Japan and Finland has been positive for Finland since 2011. The export from Finland to Japan has been around 1,9% from all exports and imports been decreasing steadily from 2.7% to 1.2%. Japan is currently the largest trading partner after China in Asia for Finland, but it is not one of the most important trading partners for Finland. In 2016, Japan was the 14<sup>th</sup> biggest trading partner after Italy and before Denmark. During 2016, trade balance between Finland and Japan was overall 1007 million euros, and surplus was 333 million euros. (Tulli 2017, cited 1.4.2018.)

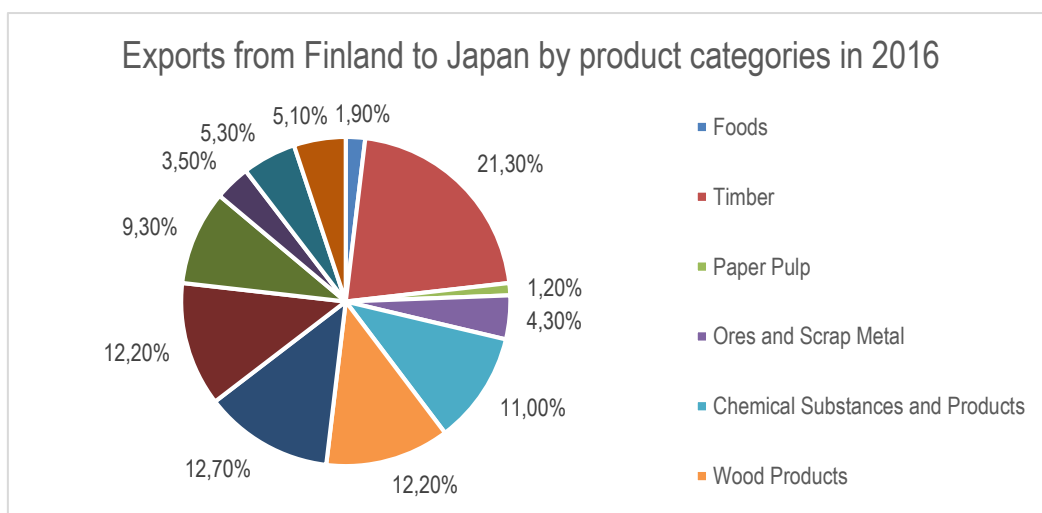


FIGURE 1. Exports from Finland to Japan by product categories in 2016 (Tulli 2017, cited 1.4.2018)

As we can see in figure 1, exports to Japan are currently mainly from the forest industry. In 2016, exports of foods were rather minimal, only 1,90% of all exports to Japan. From the food industry, main exports came from fish, meat, eggs and dairy products. Export of fruits and vegetables was 0,1% from all exports, so currently there are not that many berries being exported to Japan from Finland. (Tulli 2017, cited 1.4.2018.)

As like Finland, also Sweden has had a trade surplus over Japan in the past years. Sweden mainly exports medicines, machinery, timber, and cork to Japan. (Ministry of Foreign Affairs of Japan 2016, cited: 1.4.2018.) Currently, around 1500 Swedish companies are trading with Japan, and from these 1500 companies, 150 are established in the Japanese market. In 2016, Swedish companies exported around 16 billion Swedish kronor worth of goods to Japan. (Business Sweden 2018, cited 2.4.2018.) Japan is the 2<sup>nd</sup> largest market area in Asia for Sweden. According to Business Sweden, Swedish companies view the Japanese business climate mainly positively. Swedish companies have also stated that they are looking for ways to increase their presence and investments in the Japanese market. (Business Sweden 2018, cited 1.4.2018.)

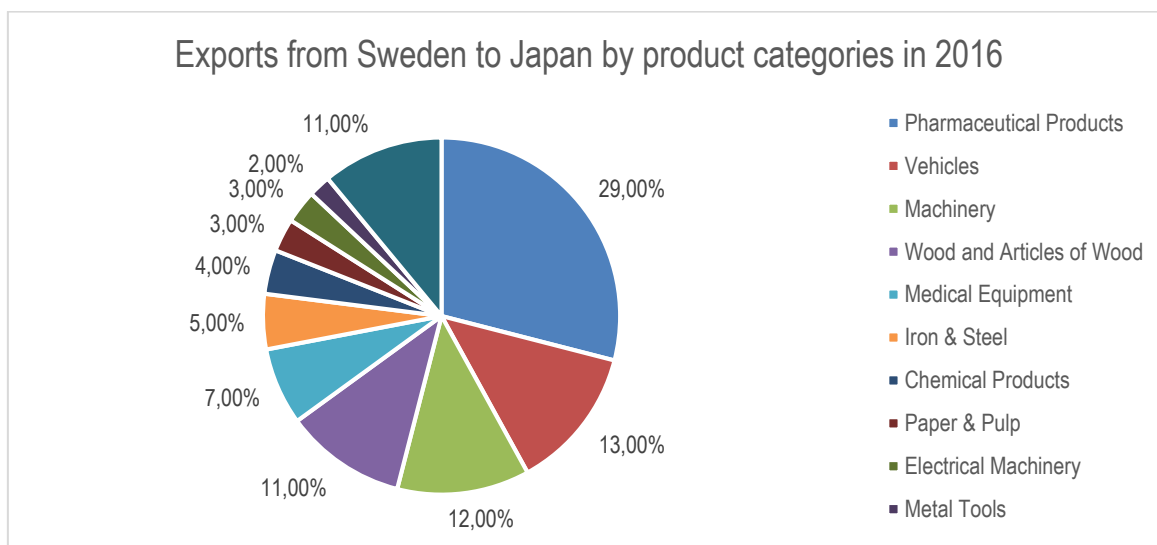


FIGURE 2. Exports from Sweden to Japan by product categories in 2016 (Business Sweden 2018, cited 1.4.2018)

As seen in figure 2, the pharmaceutical products are the most significant product category which Sweden exports to Japan, followed by vehicles and machinery. According to Business Sweden's business climate survey conducted in 2017, Swedish companies viewed the Japanese market as a positive, but challenging market area. Establishing new business and obtaining right talent in

Japan was viewed challenging, although 77% of the companies answering the survey informed that Japanese companies are nowadays more open for the collaboration than earlier. Product quality and design were seen as the prominent strengths of the Swedish companies. (Business Sweden 2018, cited 1.4.2018.)

From all trade partners of Norway, in 2016, Japan was the 14<sup>th</sup> biggest trading partner of Norway with around 1.2 billion dollars export sales (Workman 2018, cited: 1.4.2018). Japan is the 3<sup>rd</sup> biggest trading partner of Norway in Asia after China and South Korea. Norway mainly exports seafood products which were in 2016 approximately 44% of all exports to Japan. Other goods include petroleum products which were approximately 20% of all exports in 2016 and non-ferrous metals exports with being approximately 8% of all exports to Japan in 2016. Likewise, in 2016, Norway imported from Japan primarily motorized vehicles which were approximately 43% of the imports and iron and steel products with approximately 14% of the imports. (Ministry of Foreign Affairs of Japan 2017, cited: 1.4.2018.)

### 3 NORDIC FOOD

Even though the Berry Wax Project's primary goal is to find out how to produce wax from the berries and what are the best market areas for it, this thesis will research more about the Nordic berries and food brand and the business potential in the Japanese market. In this chapter, the thesis will go through what are the characteristics of the Nordic food and berries and dive deeper into the food and beverage market in Japan.

When talking about Nordic food, we usually mean Scandinavian cuisine which includes Scandinavian countries Sweden, Norway, and Denmark as well as Finland and Iceland. The Nordic food characteristics lie in fertile ground and nature. There are a lot of different edible mushrooms and berries in the forests, different fishes in the lakes, strong agricultural history and forests full of game. Nordic countries have a vast amount of sheep, cows, and pigs, along with 50 different berry species, along with 110 different rhubarb species and 700 different apple species. (Tikkanen 2011, cited 2.4.2018.)

Even though the Nordic cuisine can be very different in the northern parts of Norway when comparing to the southern parts of Finland, the Nordic region still shares many characteristics, and thus we can speak about common food culture. In this sense, a food culture does not build up only on several types of dishes or ingredients; it is also affected by cultural heritage, languages, lifestyles, and ultimately, a sense of community. (Bergflødt, Amilien & Skuland 2012, cited: 5.5.2018.)

Nordic food can be summarized as a kitchen which uses a lot of berries, mushrooms, fish, and game from the rich and pure forests. The cultural heritage of the Nordic countries gives the twist and the flavor to cuisines produced by this Nordic kitchen. In this thesis, Nordic food or ingredients, except berries, are not named clearly in this thesis as the goal of the research is to find out how Japanese people feel regarding all Nordic foods and ingredients and are there any demand for the Nordic food products in Japan.

### 3.1 Berries as food

For this research, berries are an essential part of the Nordic food culture. The project is currently research especially bilberry wax and lingonberry wax which are as berries essential ingredients in the Nordic cuisine. According to Simo Moisio and Riitta Törrönen, berries belong to a recommended diet of an adult and have a lot of proper nutrients. For the northern residents, berries have always been a significant part of the diet and been a resource of many different vitamins and minerals. Unlike in the most of fruits, shells of the berries are also edible, and also include a lot of different minerals. The actual nutrients and vitamins are not the only thing that makes the berries healthy as berries also include many other substances that affect the health and wellbeing, for example different polyphenols. Berries' color and aromatic substances also affect the quality and aesthetics of the berries. (Moisio & Törrönen 2008, 54.)

There are also protective nutrients in the berries which are specific proteins, vitamins, and minerals. If a human body lacks these protective nutrients, the human body will fall in a nutritional deficiency state. Vitamins, minerals, and water regulate vital functions of the human body. The berries consist mainly of water which is around 80 to 90 percent of the weight. From solid nutrients, there are a lot of carbohydrates in berries that can be divided into sugars and fiber. Unlike solid nutrients, there are the only small amount of organic acids in berries, like proteins and fats. Even though the amount of the fats is small in berries, there are many advantages in the fats that berries hold. The seeds inside the berries hold the seed oil which berries use for sprouting and for the development of cotyledons and this oil holds a lot of essential fatty acids. For example, this oil is a valuable resource of the omega-6 and omega-3 polyunsaturated fats which cannot be replaced by other fats. These polyunsaturated fats can be found especially in buckthorn, cranberry, lingonberry, and bilberry. (Moisio & Törrönen 2008, 54-57.)

Other essential nutrients which can be received from the berries are vitamins and antioxidants. For example, there are C-, E- and A-vitamins in the berries. Plentiful amounts of vitamins, antioxidants, minerals, and polyphenols are the main reasons why the berries have been seen as healthy and good food for humans. As a way to receive antioxidants, berries stand out from other plants. Some berries may have even 1000-times more antioxidants than other plants. In fact, the berries that hold many antioxidants are the best antioxidative foods and the best berries to gain antioxidants are bilberry, lingonberry, cloudberry, cranberry, and buckthorn. (Moisio & Törrönen 2008, 60-61, 65-67.)

When the berries are used as fresh berries, jams or as juices, seeds and the oils inside usually remain unused. Many times, seeds are removed from end products as unwanted ingredients and in the food industry, the seeds and berry shells create a considerable amount of compression waste which remains mainly unused. In the same time, seeds have a sturdy build which can remain unchanged through the human bowel system and fats and oils do not get absorbed by the body. The oil from the berries can also be extracted from the berry seeds and be processed to various products used in nutritional and clinical use to complement daily gain of the fatty acids. (Moisio & Törrönen 2008, 57.)

Currently, the Berry Wax Project is trying to find out how this processed waste can be used and be enriched to usable wax for different industries.

### **3.2 Food and beverage market in Japan**

The Japanese food market is large, mature and high quality focused. In 2015, sales of food and beverage were around 81.6 trillion Japanese yen which is around 10% of the total gross domestic product of Japan. Food and drinks are, in fact, the most significant disbursement for Japanese households. For Japanese consumers, it is typical to buy groceries daily from local stores, and there are around 18 400 grocery stores and 54 400 convenience stores around Japan. Eating out is also very popular in Japan as there are around 620 000 restaurants and bars around the country and Tokyo is alone the city with the most Michelin star restaurants around the world. So generally, there is a high price competition in the Japanese market, and for companies to be successful, effective, unique marketing is needed. (Business Sweden 2018, cited 15.4.2018.)

In Japan, while in many other countries too, the package of the product and gift wrapping are seen an essential part of the product. Any damaged package is almost impossible to sell to consumers, and that is why many imported products are re-packaged in Japan. The re-packaging can also benefit the companies as it may be cheaper to ship products as a bulk and local company may do the product labeling and localize product portions. Especially right product portions are essential in the Japanese market as Japanese people tend to buy small portions, as those are much easier to store and the food is fresh all the time. For Japanese people, safety is also a significant factor when making purchasing decisions. Consumers are more and more paying attention to where the

ingredients come from, what method product was produced and use of food additives. When entering the Japanese market, it is vital to provide transparent information about a company's products, especially regarding the food safety. (Business Sweden 2018, cited 15.4.2018.)

In 2015, The Consumer Affairs Agency of Japan introduced a new certificate system which tries to encourage consumers to select healthy food and beverages. In 1991, a certificate was introduced by the Japanese government to increase awareness of healthy food choice for food with nutrient function claims and specified health uses. In 2016, there were around 1 238 approved products by the government. If food companies can show through scientific evidence that their food products have health benefits, they can claim the designated function on the label or advertisements after notification to the Japanese government. If companies want to claim the health food benefits, foods should have at least 17 natural ingredients, from where at least 12 are vitamins, and 5 are minerals. (Business Sweden 2018, cited 15.4.2018.)

### **3.2.1 Future trends in the Japanese market**

Organic and natural food demand in the Japanese market is still somewhat immature, but there is a gradually growing demand for organic and natural products. The Japanese government has not been pushing or supporting the organic agriculture during last decades, and there is a little to no guidance for consumers available regarding organic food. Even though Japanese consumers are conscious regarding food safety, they have very little knowledge regarding the organic food benefits and as a result, see the less added value of choosing organic food. Around 65% of the Japanese people say that they almost never buy organic food. The purchase of the organic food is only 1 040 Japanese yen per capita in Japan while in the EU it is around 4 766 Japanese yen per capita. In other words, EU citizens use almost 4,6 times more money on organic food than Japanese citizens. Also, veganism is somewhat uncommon in Japan, although there has been a surge of vegan restaurants and food in the areas where there are many tourists. (Business Sweden 2018, cited 15.4.2018.)

According to Business Sweden's report, there are specific product segments among food products which would be outstanding opportunities for Nordic countries. For example, the chocolate market is growing annually 2-3% in Japan, and there is a current trend going on around high cacao content. Because high cacao has health benefits, many confectionery companies have gained food



certificates in Japan for their products to differentiate in the competition. Also, biscuit market has been grown steadily around 4% since 2013. Although this product segment is mature, confectionery companies are increasing sales by producing new products. Earlier regarded as junk food, now frozen food market has also started expanding with premium frozen food. For example, 7Eleven expanded their frozen food section and achieved a 20% sales surge. Also, low carbohydrate food has been increasing annually around 7%, thanks to the boom of exercise and diet industry. A surprising growth segment has been non-alcoholic drinks which have increased around 1600% since 2008. Low alcohol tolerance of Japanese people can explain the demand for non-alcoholic drinks and Japanese companies have now seen non-alcoholic beer and cocktails as an exciting alternative for the customers. (Business Sweden 2018, cited 15.4.2018.)

Especially frozen food segment and non-alcoholic drinks could be a good chance for Nordic companies for berry sales as frozen food and drinks are more accessible to ship from Northern Europe to Japan.

### 3.2.2 How EPA effects food market

Japan-EU Economic Partnership Agreement (EPA), has been negotiated between Japan and the European Union. Through EPA, Japan seeks opportunities for its vehicle and electrical device industries, while EU is interested in exporting agricultural products to Japan. Main things that EPA is set to do is to lower tariffs for the exports and simplify the customs procedures. (Business Sweden 2018, cited 15.3.2018.)

Item	Tariff
Cheese	22%-40%
Ham	10%
Wine	15%
Chocolate	10%-25%
Biscuit	13%-24.4%
Ice Cream	21%-29.8%
Berries	10%-22%

TABLE 1. Import tariffs of different food products (Japan customs 2018, cited 15.4.2018)

As seen in table 1, current tariffs are high for the foreign food products when exporting to Japan. For example, the tariff for cheeses can be up to 40% and chocolate to 25%. Besides, individual berries can have 22% tariff. One of the main reasons why EPA will be essential for European food companies is the removal of high tariffs and that way lowering the export expenses. (Japan customs 2018, cited 15.4.2018.)

## 4 BRAND

This chapter will focus on the branding theory and introduces basic definitions of the brand, branding and brand equity. There will also be a section which will explain the concept of nation branding and another one which will explain more regarding food branding.

### 4.1 What is a brand

Branding is a marketing concept which has existed for decades and the earliest signs of branding in Europe were the medieval guilds' requirement that craftspeople put trademarks on their products to protect themselves and their customers against inferior quality. The definition of the brand has changed over the times, and there are multiple separate ways to define it and definitions are expanding all the time. (Kotler & Keller 2012, 241-242.) Nowadays, branding can range from product branding to country branding to personal branding. Branding has been around for centuries as a means to distinguish the goods of one producer from those of another (Kotler & Keller 2012, 242). For example, a Greek soap manufacturer can design their products to be different, unique or eye-catching from other comparable products, aimed towards tourists by a modern and fresh look of the product packages. (Cook 2017, cited: 7.4.2018.) In the fine arts, branding began with artists signing their works. (Kotler & Keller 2012, 242.) Also, a musician can build up a personal brand around his or her artistic career by the media image, music genre and products. (60 seconds music marketing 2016, cited: 7.4.2018.)

The word brand was first introduced in the world of advertising in the late 1950s by David Ogilvy, who created brand-image advertising (Branddoctor, cited 7.4.2018). The American Marketing Association defines a brand as a name, term, sign, symbol, or design or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors (Kotler & Keller 2012, 241). Thus, the brand is a product or service whose dimensions make it different from other products or services which have been designed to satisfy same needs of the customer. These differences may be functional, rational or tangible and can be linked to the performance of the product's brand. The differences can be also more symbolic, emotional or intangible and be linked to dimensions of the products that are more abstract. (Kotler

& Keller 2012, 241.) Brands today play several essential roles that improve consumers' lives and enhance the financial value of firms (Kotler & Keller 2012, 242).

Although companies affect their brand creation through different marketing programs and activities, ultimately a brand exists in the minds of the customers. A brand is a perceptual entity rooted in reality, but at same time reflecting the perceptions and idiosyncrasies of customers. (Kotler & Keller 2012, 242.) Branding itself is bestowing products and services with the power of a brand. Branding is used as a spice to create differences between the products. Brand elements are used to customers who or what the product itself is by, for example, giving a product a name and other brand elements along with that what product does and why customers should care about it. Ultimately, branding creates a mental structure that helps customers to organize their knowledge regarding products and services in a way that it helps them in their process of decision making and provides value to the firm. (Kotler & Keller 2012, 242.)

#### **4.1.1 Brand equity and development**

According to Kotler and Keller, brand equity is the added value endowed on products and services. It may be reflected in the way consumers think, feel and act concerning the brand, as well as in the prices, market share, and profitability the brand commands (Kotler & Keller 2012, 243). There are multiple different perspectives which can be used to study brand equity. Customer-based approaches view it from the perspective of the consumer, either an individual or an organization, and recognize that the power of a brand lies in what customers have seen, read, heard, learned, thought and felt about the brand over time (Kotler & Keller 2012, 243). When talking about food branding, the consumer's response and behavior are critical factors when building up the brand image.

When looking at branding from the customers' point of view, it can be defined as customer-based brand equity. A brand has positive customer-based brand equity when consumers react more favorably to a product and the way it is marketed when the brand is identified, than when it is not identified. A brand has negative customer-based brand equity if consumers react less favorably to marketing activity for the brand under the same circumstances (Kotler & Keller 2012, 244).

Kotler and Keller also list three different vital factors of the customer-based brand equity. The first factor is that brand equity comes out in the public and consumers reactions, and if there are no differences, it means that the brand name product is a commodity and competition with the other products based on the prices. The second factor is that the different responses between products are results of the consumers' brand knowledge, basically all thoughts, images, experiences, expectations, and feelings associated with the brand. The third factor is that the brand equity is reflected in behavior, perceptions, preferences related to all aspects of the marking of the brand itself. Stronger brands tend to create more revenue. We can think that brand equity is a bridge for companies from the past to the future of the brand itself. (Kotler & Keller 2012, 244.)

There are multiple different brand equity models which can be used to analyze the brand equity of the companies and compare them with each other or use the data to help the companies to build their brand stronger. For example, one such model is called brand resonance model. According to Kotler & Keller, the brand resonance model views the brand building as a series of blocks building from bottom to top. The first step is to ensure that customers identify the brand and can associate it with a specific product class or need. The second step is to firmly establish the brand meaning in customers' minds by strategically linking the host of tangible and intangible brand associations. The third step is to select the proper customer response concerning brand-related judgment and feelings. The fourth step is to convert the customers' brand response to active loyalty. (Kotler & Keller 2012, 246.) Brand resonance model can be build up as a pyramid as seen in figure 3.

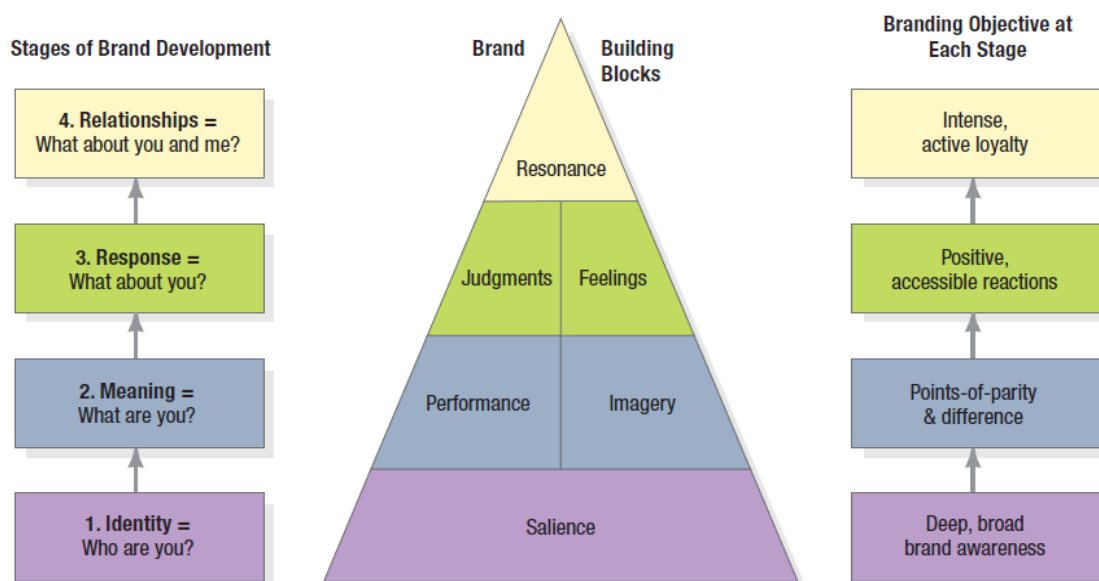


FIGURE 3. Brand Resonance Pyramid (Kotler & Keller 2012, 249)

As seen in figure 3, brand resonance pyramid builds up from six different building blocks. According to Kotler and Keller, the model shows up the duality of the brands, as the left side of the pyramid shows the rational side of the brand and the right side shows the emotional side of the brands. (Kotler & Keller 2012, 248.) A company needs to build their brand from top to bottom and reach the top of the pyramid to create significant brand equity. The companies need to put blocks in the right order to reach this. The bottom block is salience which means how often and how quickly customers think of the brand under various purchase or consumption situations. The performance block is about how well the product or service meets the customers' functional needs. The imagery block describes the extrinsic properties of the product or service, and this also includes that how the brand tries to meet customers' needs. The judgment block builds upon the focus of the customers' evaluations and opinions, while feelings block builds upon the customers' emotional responses and reactions concerning the brand. The final block, resonance, describes the relationship between customers and brand while extending it to what they feel they are in sync with it. (Kotler & Keller 2012, 248-249.)

Essentially, resonance shows the intensity of the customers' psychological bond with the brand and how much the customer engages with the brand.

## **4.2 Nation branding**

Nation branding is an exciting, complex and controversial phenomenon. It is exciting, as it represents an area in which there is little existing theory but a huge amount of real world activity; complex, because it encompasses multiple disciplines beyond the limited realm of conventional brand strategy; and controversial, in that it is a highly politicized activity that generates passionately held and frequently conflicting viewpoints and opinions. Furthermore, nation branding is steadily gaining prominence, with more and more countries around the world committing resources to the development of their nation-brand. (Dinnie 2008, 13.)

When talking about nation brand, it is possible to define it as “the unique, multi-dimensional blend of elements that provide the nation with culturally grounded differentiation and relevance for all of its target audiences” (Dinnie 2008, 15).

It is somewhat typical these days that countries have started to care about their image. This image can sometimes be used for tourism to attract new visitors to visit the country or attract foreign

companies to invest in the country. It is no wonder that many governments have started to hire firms to do the branding and apply brand management theory in their projects.

According to Lee Hudson Teslik, nation branding means applying corporate branding techniques to countries. Similarly, some of the professionals in the industry refer to place branding and city branding. The image of countries changes through times and history. This image is not only developed through the eye of the public. Instead, it is influenced by multiple different institutions, organizations, and people. Interestingly, the country image is still something that is subjective to every single person. (Teslik 2007, cited 9.4.2018.)

The application of branding techniques to nations is a relatively new phenomenon of the modern world. The reason why nation branding is growing is that countries are looking for ways to increase their competitiveness in their domestic and external markets. According to Dinnie, nations have three different primary objectives for the nation branding. The first one is to attract tourists, the second one is to stimulate inward investments, and the third one is to boost exports. Other reasons for the nation branding are to attract higher education students and skilled workers. There are also other aspects that strong nation brand brings, like reverse international rating downgrades or increase a nation's international political influence. (Dinnie 2008, 17.)

#### **4.2.1 A conceptual model of nation brand identity and image**

A conceptual model of the nation brand identity is used to show the multidimensional nature of the nature of identity and image that constructs in the nation brand context. According to Dinnie, in the construction of the national brands, nations will selectively focus on those components and communicators of their identities that are the most appropriate for their specific nation brand objectives. Because of this, some nations may benefit the most from successfully branded exports, and that is why use branded exports as a communicator of their national identity. For example, Nordic countries have been known in Japan for their design and Nordic countries have been using this as a part of their brand image. Finland has been connecting design exports like Marimekko or Arabia to its brand image for a long time, and same Sweden has been linked strongly to IKEA. Some countries with not such strong branded exports may focus more on things like notable sporting achievements, their tourism offerings or activation of the nation's diaspora. (Dinnie 2008, 49.)

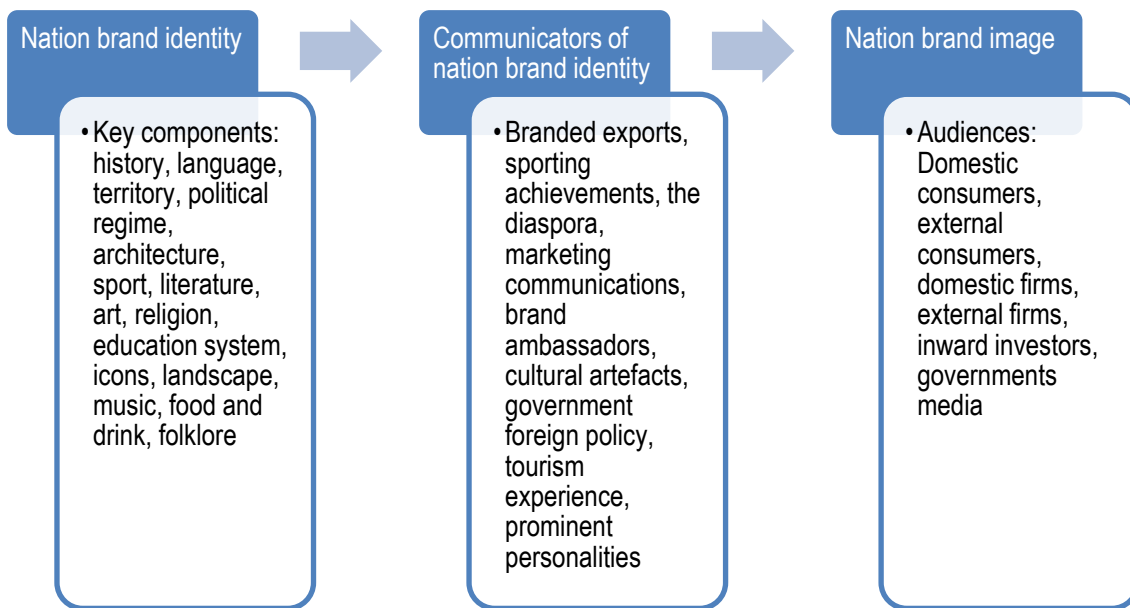


FIGURE 4. A conceptual model of nation brand identity and image (Dinnie 2008, 49)

The conceptual model of the nation brand, as seen in figure 4, shows the multi-faceted nature of the nation brand concept. The main components of the nation brand identity lie in history, territory, sport, icons, folklore and other things that represent the essence of the nation. Communicators, on the other hand, are not as directly tied to the identity has earlier listed main components. Instead, communicators can be tangible or intangible. These communicators are the way how the nation brand identity is communicated to the audiences. As Dinnie says, as an example, "branded exports may play an important role in the national brand image held by external consumers; but the market reaction of external consumers will partly determine the types of branded exports that are commercially sustainable" (Dinnie 2008, 50). What Dinnie says here is an important dimension of nation brand construction as it shows how the nation may try to build its brand towards its "dream brand," but there are a lot of uncontrollable negotiators that may disturb reaching this "dream brand." Ultimately, "the conceptual model also illustrates the diverse range of audiences that the national brand must address" (Dinnie 2008, 50).

#### 4.2.2 Country of Origin Effect (COO)

According to Philip Kotler and David Gertner, country names may amount significantly to the brands and help consumers to evaluate products and make purchasing decisions. Country names are



associations for the products' that may add or subtract the value of a product. Consumers may be more willing to buy products from the countries that are regarded as more industrialized nations due to countries' brand equity. For example, if there are wrist watches on the market bearing either a "made in Switzerland" or "made in Myanmar" with the same price, there is a chance that consumers are more willing to buy the product bearing the Switzerland mark because of the country origin. (Kotler & Gertner 2002, 250.)

The country-of-origin (COO) effect has been studied since the 1960s, as it has been a legal requirement for adding country of origin information to the product packages. According to Kotler and Gertner, "country-of-origin has become an integral part of the repertory of extrinsic cues to product evaluations. Along with price, brand name, packaging, and seller, as opposed to the study of the role of intrinsic qualities of the product such as materials, design, style, quality, color, and smell" (Kotler & Gertner 2002, 252). Through different studies among different industries, it has been noted that consumers widely use country-of-origin information as a qualification of the quality. According to Kotler & Gertner, in some studies, simple manipulation of the country-of-origin information of the product has affected how people see, feel or even taste the very same product. These kinds of results show how much the national stereotypes affect the relationship between the manufacturers and the foreign clients. (Kotler & Gertner, 2002, 252.)

When talking about the country-of-origin effect, some investigators link strong ethnocentrism to it. According to Ken Barger, ethnocentrism can be defined as "judging other groups as inferior to one's own" (Barger 2018, cited 11.4.2018), he also opens the definition further by explaining that "ethnocentrism can be defined as making false assumptions about others' ways based on our own limited experiences" (Barger 2018, cited 11.4.2018). In the article by Kotler & Gertner, it is explained that how hostility may affect the success of certain nation's products negatively. For example, ethnocentrism can be seen in the attitudes of the Chinese consumers towards Japan and Japanese products, when Chinese consumers reject Japanese products as unfamiliar products outside of their in-group circles. It is also argued that the country-of-origin effect occurs when consumers lack motivation. Country-of-origin does not affect purchasing decision if the consumer has gathered much information from the product and country's background, and this way consumers can distinguish the country's brand image from the product's brand image and quality. (Kotler & Gertner 2002, 253.)

### 4.3 Food branding

When talking about food branding, it is essential to think about what the company wants to communicate to its customers. Things like packages, logos, price, and marketing communication effect how people see food product brands, as in other products, but also things like research and development methods, delivery methods and stores where products are sold effect a lot to food brands. During the past years, the origin of the food and the methods how it has been produced have started to affect the brand images too. There are more and more customers who are interested in the effects of cultivation on the region, where food comes from and customers who want to eat natural and organic food.

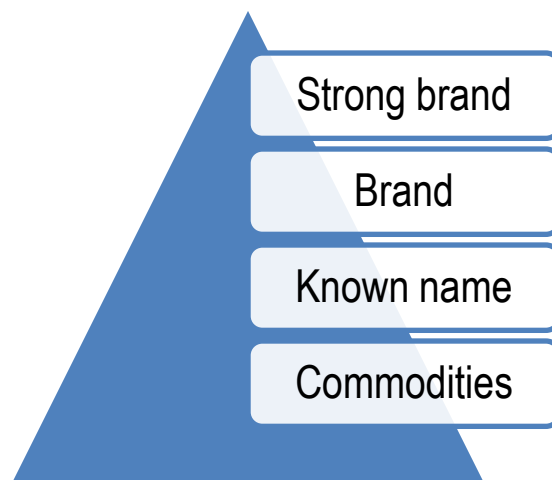
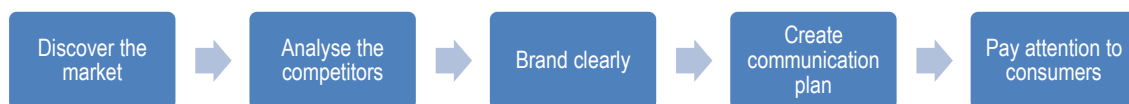


FIGURE 5. Differences between name, brand and strong brand. (Virtanen-Thewlis 2008, 7)

Like in any product branding, there are various levels how strong the branding is among the food products. As seen in Figure 5, the bottom of the pyramid is commodities, which are the products that try to differentiate themselves from other comparable products only with price. Known names are the products which customers can differentiate from other products by their name, but products do not have any unique features. Products with a brand are linked in the minds of the customers to distinctive and recognizable associations and have much more personality than just a name. On the top of the pyramid, there are the brands that mean something unique for customers. These strong brands have a definite promise and stand out from other similar brands. They also have strong customer loyalty and are willing to communicate with the customers. (Virtanen-Thewlis 2008, 6-7.)

When starting to build up a food brand, it is essential to analyze the target customer group and market area. According to Forsman-Hugg and Virtanen-Thewlis, the food industry is a harsh operating environment for small and medium-sized companies, although food industry still is an entirely open environment for niche specialization. Nowadays fragmentation of consumers' needs, internationalization and very concentrated selection of the huge companies are generating excellent business opportunities to utilize the local markets or even exporting the local goods globally. The food industry is changing all the time and changes in agriculture. Food trade affects directly to the competition between companies and raw material availability. Healthiness and nutrition are topics in the media all the time, and in the food industry this has been seen as an opportunity in product development. Consumers are now more conscious regarding their choices as there are a lot of studies and news available regarding the environmental impact of their choices. (Forsman-Hugg & Virtanen-Thewlis 2008, 8-9, 13.)

Interest in ethical food production is a good chance for the natural products that may have been earlier too expensive to cultivate to compete against mass products.



*FIGURE 6. The Success factors of food companies in Asia (Tuominen 2017, cited 10.4.2018)*

In the article published in Maaseudun Tulevaisuus, the founder of Design Finland 100-project and an associate professor of economics, Kirsti Lindberg-Repo says that to succeed in the Asian markets food products need to have a clear brand, the value proposition, and message. Being Finnish or Nordic is a strength, but mere Nordic purity is not enough. Asian customers appreciate organic food, but production and distribution need urgent development. (Tuominen 2017, cited 10.4.2018.) Lindberg-Repo lists five steps that are very important for the food companies to take for success in Asian markets. As seen in figure 6, the first step is to discover the target market. Companies need to do careful market analysis, so market trends and cultural differences are taken care of in the marketing communication. The second step is to analyze competitors and discover

what the current companies in the market are offering to the consumers and are there any demand for niche products. The third step is to brand products clearly by letting customers know products' strengths. For example, being Nordic, organic and pure are appealing to the consumers in Asia, but also pricing products to premium class have seen as an advantage. The fourth step is to create a communication brand and getting known to the local social media and creating relations with the local entertainment industry. Show business has always been a massive thing in Asia, and it is an excellent way to market products. The fifth step is to pay attention to the consumers by telling as much as possible to the consumers about the product. Companies should try to create phenomenon and experience out of their product. (Tuominen 2017, cited 10.4.2018.)

#### **4.3.1 Food tourism and food branding associated with country branding**

“The practice of using food and beverages as an explicit branding tool for a region or nation extends back 150 years or so to the time of the Great Exhibition in London in 1851 and to the industrialization era” (Tellström 2011, 62).

Food and tourism have many times gone together with each other. Each country has their unique food culture which may attract tourists and be a strong point of the local tourism business. In an online article by Stewen Schewanker, he says that for Chinese tourists the availability of food amenable to the Chinese palate is a top concern for the business or holiday travels. The article argues that the food is the third significant aspect, after safety and historical sites, for the Chinese tourists. The article shows how important it is for local companies to consider, how they market their destinations for the foreign tourists. (Schewankert 2017, cited 12.4.2018.)

According to the World Food Travel Association, food tourism can be defined merely as “The pursuit and enjoyment of unique and memorable food and drink experiences, both far and near” (World food travel association 2016, cited 12.4.2018). Food traveling is not only limited to going abroad and enjoy foreign cuisine, but it can also be regional and local traveling, since even nearby regions, cities or neighborhoods may have they local unique dishes.

According to Richard Tellström however, food culture is not that easy to define. When talking about the food culture, people are referring to systematically transforming the raw materials, food ingredients, to eating experiences or into the food. Tellström says that food culture starts even

before that, when people, plants and, animals are being valued as edible or non-edible, because of the cultural, social or political reasons. Mostly, food culture or branding has nothing to do with the food itself, a food's value extends far beyond the value of the ingredients. It can be said that food culture is one of the world's oldest methods to express who we are and what we want to be. (Tellström 2011, 62.)

A food's value can also be transferred to different areas to which we may want to transfer a particular value. The transfer can also be done the other way around, as we can also transfer a specific food's value for the particular area. Even an area's reputation can add extra value for a food product if the customers do not know much about the food product itself. For example, for a long-time name of the areas have been linked to food and wine. This way the country-of-origin effect can be seen in food branding, as it is impossible to think of food products if we do not think about the origin or relationship to places, people or other status-related definitions. (Tellström 2011, 63.)

According to Tellström, customers always consider origin and authenticity of food when they do purchase decisions. When considering this, branding an area with food is somewhat the same kind of process as branding art forms such as books or films, as it is a question for ourselves; whom we think we are or whom we want to be (Tellström 2011, 69).

## 5 RESEARCH METHODOLOGY

In this chapter, the research methodologies and data collection will be the focus. The chapter will define the research methodology used to do the research and what methods were used for the data collection.

### 5.1 Research method

Research methods are historically divided into two different methods. (Ojasalo, Moilanen & Ritalahti 2014, 104.) Quantitative research is empirical research where the data is in the form of numbers, while qualitative research is mainly empirical research where the data is not in the form of numbers (Blaxter, Hughes & Tight 2010, 65). For this thesis, qualitative research is a chosen research method as “qualitative research is primarily exploratory research. It is used to gain an understanding of underlying reasons, opinions, and motivations. It provides insight into the problem or helps to develop ideas or hypotheses for potential quantitative research” (DeFranzo 2011, cited 21.4.2018). Typical methods of qualitative research are a theme interview, an open interview or a group interview and a participatory observation. When doing scientific research, the qualitative methods are mainly used when a research topic is something that is not understood well enough yet, and there is a little-to-no research data available to analyze. When qualitative research methods are used, there are typically fewer subjects to research than in quantitative research but more material and data to analyze. In other words, qualitative research typically focuses on to gain more data on much smaller scale topic than in quantitative research. (Ojasalo et al. 2014, 105.) Typically, qualitative research methods are used when the focus is in presenting a real life, as it shows that researchers understand that reality cannot be divided to different sections in an arbitrary manner but must be seen as a multifaceted entity. (Ojasalo et al. 2014, 105.) Typically, in qualitative research methods, a researcher is in very close interaction with the interviewees and may even participate in their activities. The researcher will make his or her justified assumptions from the research data and explains the methodology and results precisely to readers of the study. (Ojasalo et al. 2014, 105.)

This thesis research focus is on brand-images and market potential which both are typically hard to analyze through quantitative methods. As discussed earlier in the theoretical framework of this

thesis, brand images are heavily linked to the mental images of people, as a brand is a perceptual entity rooted in reality, but at the same time is reflecting the perceptions and idiosyncrasies of customers. (Kotler & Keller, 242.) In the same time, the market potential is also hard to analyze only through trade numbers and sheets when things such as culture, language barriers, and nation brand affect the exporting of companies, and this research aimed to understand opportunities of the Japanese market. (Queensland Government 2016, cited 2.5.2018.)

The final decision was to research market potential of Japan through interviews with Japan-Nordic countries trade professionals, who could answer the questions regarding the market situations of Japan. The brand views were decided to study through the questionnaire aimed towards Japanese people who live or study in Finland.

## **5.2 Data collection methods**

In this thesis, the data was collected through two different methods. The first method was focusing on interviewing Japan-Nordic countries trade experts from government-owned organizations to answer research question regarding the market potential of Japan for food and berry industry. The second method was a questionnaire for Japanese people who either live or study in Finland which focus was to open up how these Japanese people view Nordic countries in a brand perspective.

Interviews are one of the most used data collection methods. (Ojasalo, Moilanen & Ritalahti 2014, 106.) Interviews are useful data collection method as they allow to collect precise information fast regarding the research topic. Interviews are suggested as a data collection method when the research wants to point out an individual's opinion regarding the research topic and let them freely express their feelings. If the research topic is not that much researched, interviews allow to produce new material that opens up new perspectives regarding the subject. Best idea is to include an interview in research with other data collection methods, as most of the data collection methods support each other. (Ojasalo et al. 2014, 106.)

There are different interviewing methods, and it is critical to select a method that supports the research questions best. (Ojasalo et al. 2014, 106.) For the interviews with the experts of Japan-Nordic countries professionals, e-mails were chosen as the interviewing method. Reasons for choosing e-mail interview were the advantages of it. E-mail interviews are an easy method for the

interviewer and applicants as they do not need to travel long distances and do the interview from the place they prefer during their chosen time. E-mail interviews also allow the interviewees to answer the questions without fear being manipulated by the interviewer and allow them to revise and change their answers before sending them. E-mail interviewing has its disadvantages as the cost of answering can be high for the interviewees during work time. It also may be hard for the interviewee to focus on answering the questions because of a hectic life and many interviewees may drop out the middle of the e-mail exchange. Answers may also be one-dimensional, and answers can be understood wrong on the interviewee's behalf. (Lokman 2006, cited: 21.4.2018.)

For this research the reason to choose e-mail interviews over the face-to-face interviews or phone interviews were the geographical distance. Almost all trade professionals chosen to be interviewed were living in Japan. The time difference would have made it hard to decide the suitable interviewing time for the phone interview, and a face-to-face interview would have been expensive to arrange.

Questionnaires or surveys are typically quantitative research as surveys data is mainly numerical and reliable data which is hard replicable data. (Blaxter, Hughes & Tight 2010, 65-66.) The advantages of the surveys are that they are a fast and effective method for collecting data and can be used to ask many questions from a massive amount of people. The most significant disadvantages of the surveys are that they produce a partial data and researchers cannot know how seriously respondents have decided to answer the questions or how well they understand the research topic. (Ojasalo et al. 2014, 121.) There are different methods to produce and spread the survey. Typical surveys are sent through postal services to respondents or are online based. Other typical methods are phone surveys or face-to-face surveys which are filled by the researcher for the respondents. (Ojasalo et al. 2014, 121.) For this research anonymous online survey was chosen as data collecting method as it has the advantages of being a fast and cheap method to collect the data. The online survey also allows the applicants to express their feeling more freely as they do not need to fear the reaction of the researcher. Disadvantages of the online survey are uncertainty factors such as lack of the interviewer's presence to explain survey questions and lack the monitoring the answers. (Ojasalo et al. 2014, 121.) Another disadvantage of the online surveys is that it is very overused research method and people receive a massive amount of the survey participation requests. The massive number of requests causes that people are not that keen on to answer all surveys and the participation rates are many times very low. E-mail invitations to the surveys may also get stuck to spam filters and thus do not reach the respondents. (Ojasalo et al.



2014, 121.) Another issue regarding the online surveys is that it may be hard to delimit the sampling frame if it is not limited that who receives the survey invitations. Typically, surveys focus on creating a quantitative research data, but it is possible to receive qualitative research data through open-ended questions. (Ojasalo et al. 2014, 134.)

In this research, the survey was conducted qualitatively as most of the research questions were in open-ended form. Only the first three questions of the survey can be regarded as quantitative in a sense as they were about the age, gender and time living in Finland. These questions gave the background information regarding the respondents but were not a principal focus of the survey. As the focus of the survey was in the brand research, a qualitative approach was used in the survey. When doing branding research, we are researching how people feel about the particular things and what kind of image they have about a specific product, person, and country. (Kotler & Keller 2012, 242.)

The quantitative method can be used in the brand survey, but the answers will more, and results are in a format where it is easier to compare the results quickly. For this thesis survey with the open-ended questions was chosen as the best method as it was a fast and cheap method to research topic which does not have a lot of data available currently.

For the interviews aimed towards professionals from the organizations, four different persons presenting three different organizations were contacted. Organizations were Business Finland, Business Sweden, and Innovation Norway. Also, representative of Business Finland's food exporting program "Food from Finland" was contacted as Food from Finland representative could have probably more detailed answers regarding food industry of the Nordic countries than other three representatives. From these four persons two contacted back and ultimately, the researcher received answers from the one person. It is unfortunate only one person had time to answer the questions, but those answers had enough information to be analyzed as results. Of course, there would have been a more different point of views, if all the organization representatives would have answered the questions, but as said earlier, answers one presentative give already insights to the research topic.

Questionnaire made in Google Forms was spread through the help of Finnish Japanese Society (SJY) and through personal connections for Japanese people, who either live or study in Finland. The questionnaire received nine unique answers. The questionnaire was written in Finnish and in

English as there was an assumption that not all Japanese people who live in Finland are fluent in English. The expectation was around 10-20 different answers, but nine answers still provide insights into how Japanese people see Nordic countries, food and what food products they think could have potential in the Japanese market. Japanese people who live or study in Finland were also chosen as the respondent group as it was much easier to contact them. If the questionnaire had been aimed to the Japanese people who live in Japan, there would have been a necessary need for translating all questions to Japanese as there are a lot of people in Japan who do not speak English. It would have also caused a lot of extra work to find a distributor for the questionnaire in Japan, and that would have made overall research process very slow and possibly also very expensive.

### **5.3 Analyzing methods**

Analyzing the data collected for the research is often challenging for a researcher. Once the researcher has started building the framework, reading about it and collecting data may be repetitive actions. (Blaxter, Hughes & Tight 2010, 228.) It is up to the researcher to find the useful methods to analyze his or her research data. This sub-chapter will clarify methods used to analyze the data of this thesis' research.

The processes of analyzing the data, whether it is for qualitative data or quantitative data, are at a general level reasonably comparable. Typical techniques such as coding, labeling, annotating, selection and summary allow the researcher to manipulate and reduce the size of the dataset and find aspects of data that are felt to be essential for the research. (Blaxter, Hughes & Tight 2010, 228.) The strategies which underline these processes can be entirely different, depending on the way the research chooses to generate the knowledge. The most common different approaches are a positivist or post-positivist approach, and then those who take an interpretivist, critical or even postmodern stance. The positivist approach allows the research to start their research with an idea and then collect data in order to explore or test it. The positivist approach can be said to be the classic scientific method. The post-positivist approach is more likely to start from an interest in a particular topic and gather data to see what light it sheds on the topic. The former method starts from theory and the latter, at least should lead to the development of theory. Of course, during the research process, analyzing strategies may change and many times research questions are later adjusted to fit the answers. (Blaxter, Hughes & Tight 2010, 228-229.)

In this research, the post-positivist approach is taken as it allowed building the theoretical framework at the same time as doing the research.

For an interview data, it is typical to do explicitation of the data. The explicitation can be done by first doing bracketing and phenomenological reduction of the data. After this, the researcher should describe units of meaning and be clustering these units of meaning to form themes. Summarizing each interview, validating and where necessary modifying it are also necessary steps. Also, the researcher should also extract general and unique themes from all the interviews and make a composite summary. (Blaxter, Hughes & Tight 2010, 232-233.) When doing a thematic analysis of the interview data, the researcher typically familiarizes himself or herself with the collected data. After this the researcher can start generating initial codes, meaning coding interesting features of data systematically. After this researcher should first search for themes in the data, review them and finally define and name these themes. The final step is to produce the report which is the final opportunity for analysis. The final analysis consists of selected extracts, relating the back of the analysis to the research questions and the theoretical framework and finally producing an academic report of the analysis. (Blaxter, Hughes & Tight 2010, 233.)

In this thesis, the e-mail interview data was analyzed by going through each question first. When each question was analyzed individually, they were gathered up to different themes, and answers were written down to the report to support each other.

The data collected through questionnaires can be either qualitative or quantitative data. Typically, literature tells different methods to analyze the quantitative questionnaires as the data collected from questionnaires leads many times to quantitative forms of analysis. (Blaxter, Hughes & Tight 2010, 237.) In this thesis, the questionnaire was in a format which produced qualitative data. That is the reason why the questionnaire data were analyzed in the same fashion as the e-mail interview data. Reason for this was the nature of the data as questions were mainly open-ended and had to be analyzed first individually, then grouped into different themes and finally written clearly to the report format which presented answers in summary.

## 6 RESULTS

This chapter will focus on opening the results of the research. The first section will contain the results and reflection of the e-mail interview with professionals and the second section will analyze results of the questionnaire. For the e-mail interview, a response from one interviewee was received, and for the questionnaire, nine individual responses were received.

### 6.1 Interview with Japan-Nordic trade professionals

The e-mail interview questions were divided to three different themes, the first theme was the trade between Japan-Nordic countries, the second was regarding the Nordic brand, and the third theme was business potential of the Nordic food and berries in Japan. The interview was aimed towards professionals, who work with the Japan-Nordic trade. The questions were about the current trade relationship between Japan and Nordic countries, how much potential Japanese market has for food products and what kind of brand Nordic countries have in Japan. Interviewing e-mails were sent to three different organizations; Business Finland, Business Sweden, and Innovation Norway. One e-mail was also sent to Business Finland's "Food from Finland" – program representatives. All these organizations have an office in Japan.

Only Business Finland's Representative Pekka Laitinen, who works as a senior advisor for Business Finland, answered the interview request. He has been working in his current work in Business Finland as a commercial counselor since May 2017. Before this, he was two years the president of Finnish Chamber of commerce in Japan (FCCJ). Business Finland typically gives general guidance about the market and help the companies choosing a consultant when needed, and they also organize delegation trips and trade exhibitions. Business Finland is also involved in projects making the access to Japanese market more comfortable for the companies. They are currently developing a "soft-landing center" for companies, who are interested in testing the market with a low cost.

When asked about the trade between Japan and Finland, the interviewee says that Finland's strengths in the trade with Japan are relative easiness in communication, powerful country brand and Japanese people are interested in many Finnish products. He also mentions that Finland has

excellent access through air transportation routes to Japan. The most significant weaknesses that Finland has is lack of knowledge regarding the Japanese market and insufficient investments in starting the trade. According to the interviewee, many Finnish companies have had success in Japan, but many more could have. Some big companies have failed because of their choice of a distributor in Japan. The interviewee mentions that Japan is a difficult country to do business in if companies do not have guidance and it is a smart idea to use consultants. When he was asked about upcoming Japan-Europe Economics Trade Partnership (EPA), he said that it definitely would benefit Finnish companies, as current tariff costs in food are significant and tangible. Also, Europe has become interesting for Japanese consumers as attitudes have changed and image of the continent has improved.

When asked about the brand image of Finland in Japan, the interviewee says Finland's nation brand is strong in Japan as Japanese people can typically mention several things related to Finland. Surprisingly, he mentions that Japan is the only country in Asia where Finland has a stronger nation brand than other Nordic countries. Expensive marketing campaigns or projects have not build Finland's brand image in Japan. Instead, Japanese people have rather themselves "found Finland."

When asked about the Nordic and Finnish food, he says that the Japanese are very interested in Nordic food and ingredients, but they are somewhat tricky to find them outside of IKEA stores. Generally, Japanese people seem to know that Finland has a precious nature with many different plants, but they have hard to connect which they exactly are, so Nordic berries are unfortunately not that well known in Japan. When asked further about the potential food products for the Japanese market, the interviewee says that most likely the dairy products like cheese, chocolate, and specific meat products could be the most successful food products in Japan.

### **6.1.1 Interview summary**

When analyzing results, there is potential in the Japanese market for food products. Results of the e-mail interview correlate with the Business Sweden's food and beverage market report. According to the e-mail interview and Business Sweden's research, there is a need for specific food products in Japanese food market. Business Finland's representative points out that the dairy products and meat products could have potential in Japan, and Business Sweden's report points out Japan's growing frozen food and non-alcoholic beverage market as potential (Business Sweden 2018, cited

15.4.2018), but both point out the growing potential of the chocolate market of Japan. Most likely Nordic chocolate producing companies could have tremendous success in the Japanese market. The Business Sweden's report and the e-mail interview also point out the effects of the EPA. The Business Finland's representative and Business Sweden say that the EPA is potentially a perfect chance especially for the Nordic food industry as customs' tariffs have been very high for food products and ingredients in Japan. (Business Sweden 2018, cited 15.4.2018.)

The Business Finland's representative also mentioned that from all Nordic countries, Finland has a strongest nation brand. If we take Dinnie's (Dinnie 2008, 49) conceptual model of nation brand identity and image, we can see Finland has known and powerful communicators of nation brand image in Japan. According to the Business Finland's representative Finland has not been actively promoted in Japan through marketing campaigns, but instead, Japanese people found Finland themselves. According to Dinnie, branded exports are a significant way to show the nation brand for the external consumers, and these external consumers make their assumptions of the nation brand according to the quality of these exports. (Dinnie 2008, 50.) Here, for example, Japanese people have mostly formed their image Finland from the products exported to Japan, mainly from the design products sold to Japan and that is the reason why they are so strongly linked to Finland in Japan. Likewise, tourism to Finland has increased the nation brand of Finland in Japan as Japanese tourists have communicated their experiences of Finland to other Japanese people. According to Dinnie, tourism experiences are very important communicators of the nation brand identity. (Dinnie 2008, 49.)

The interview gave understanding to the market potential of Japan for Nordic companies. It was unfortunate that only Business Finland's representative found time to answer the questions as it would have given much more detail picture if all four persons would have answered them. Because of this interview gave good summary regarding Finland's and Finnish companies' market potential in Japan but did not give a right kind of understanding how the situation is seen in other Nordic countries. According to the results, there is potential in Japan for Finnish food products and that Finland has a very positive brand image there. There is still a lot to do, as it seems that Japanese people are not that familiar with Finnish or Nordic food products or ingredients. If Finnish companies are planning to enter the Japanese market with their products, it is probably a smart idea to find a consultant who is familiar with the Japanese food industry and use the country brand image in the marketing.

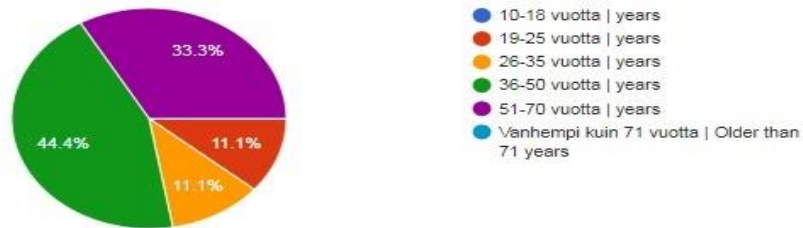
## 6.2 Questionnaire for the Japanese people

The online questionnaire was meant for Japanese people, who either live or study currently in Finland. The questionnaire itself had questions regarding Nordic countries, Nordic brands, and Nordic food and berries. The questions were mainly open-ended, where the respondents wrote down their answers. The questionnaire received nine individual responses which gave some data to analyze. The questions were divided into two different themes as the first theme was Nordic countries, products, and brands. The first theme included questions regarding the brand image of the Nordic countries and the Nordic products which Japanese people recognize. The second theme was about Nordic food and berries. The questions in the second theme were about how Japanese people view Nordic food and berries and could Nordic food have potential in the Japanese market.

At the start of the questionnaire, there were questions about the background of the respondents. All respondents selected their age group, gender and the time they have lived in Finland. The responses can be seen in figure 8. According to these answers, all respondents were between ages 19-70. The most active age group was 36-50-year-old people, followed by 51-70-year-old ones. Reason for this grouping is most likely that questionnaire reached more people who have lived in Finland for a more extended period than to study and it is reasonable to assume that these people are already middle-aged. Most of the respondents for this research were female, with only one male respondent. Receiving answers from only one male respondent is not that way-out outcome as females tend to be trendsetters when it comes to brands and many times females may choose which product brands are bought and consumed in households. (Lindblom, Lindblom & Lehto 2016, cited 10.3.2018.) There is also a possibility that males did not see the topic interesting enough to answer to or that the invitation link did not reach that many males. Last background question asked about how long the respondents had lived in Finland, and it was surprising, how well answers were scattered around time periods. Most of the respondents had lived in Finland for 6-30 years. Most likely people who have lived in Finland for a more extended time have different views of Finland, but same time they may have more detailed opinions about that which things about Nordic countries effective in Japan in brand perspective.

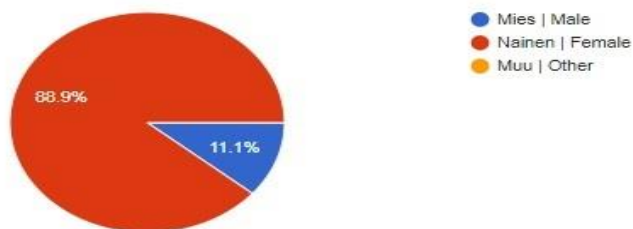
### Ikä | Age

9 responses



### Sukupuoli | Gender

9 responses



### Kuinka kauan olet asunut Suomessa? | How long have you lived in Finland?

9 responses



FIGURE 8. Responses in regarding age, gender and how long have you lived in Finland questions

When the questionnaire respondents were asked about the Nordic countries, products and brands Japanese people connected to the Nordic countries with words about nature, forests, purity, winter, and darkness, but also diligence, healthiness, design and high standards of food. Also, things like high taxation and maybe too much of the devotion towards equality were mentioned. Overall, Nordic countries received positive or nature-based words. When asked about Nordic brands, the respondents named mainly food, design and clothing brands. For example, H&M, Arabia, IKEA, and Marimekko were mentioned multiple times, but also food brands Fazer, Valio, Arla, and Marabou were stated. Most of the brands were from Finnish companies which was expected, as the respondents were living in Finland, but also strong Swedish brands were named several times,



like H&M, Ikea or even Volvo. When respondents were asked about the strengths and weaknesses of the Nordic countries regarding brand, many respondents felt that honesty and trustworthiness are a powerful aspect of the Nordic countries. Also, Nordic design and excellent color matching were seen as strengths. Some respondents also felt that the Nordic countries could use the positive country image and high standard of living and reflect those into their products. Modesty and high prices were seen as the most significant weaknesses, but also the limited availability of the information regarding Nordic countries was seen as a problem for marketing and branding. It could be a good idea for the Nordic countries to produce more information pages and marketing campaign aimed towards Japanese people in Japan to boost tourism and sales of Finland based companies.

When the respondents were asked about Nordic food and berries, they were first requested to name words which they connect to Nordic food. Purity and simplicity were named many times about Nordic food, but also specific food or ingredients like meatballs, salmon, potatoes or even vodka were named. From negative aspects, the flavorlessness of the Nordic food was named. It seems like strong points of Nordic food lie in the purity and simplicity. When the respondents were asked to name words which they connected with Nordic berries, here also purity was answered from many respondents, but also things like healthiness, tastiness, and forests were mentioned many times. In addition to these, also berries themselves and, surprisingly, hiking and vacations were mentioned. Japanese people see berries as pure and healthy ingredients. In one question, respondents were requested to select their favorite berries from a list. Choices were wild strawberries, bog bilberries, cranberries, cloudberries, stone brambles, arctic brambles, bilberries, lingonberries, alpine bearberries, raspberries, and crowberries. There was also an open-ended answer which allowed respondents to name themselves their favorite berries if they did not find them in the list. The most selected berries were bilberry and raspberry which both had eight respondents select them. Six respondents picked the wild strawberry and four picked cranberries, and other berries had one or no one to select them. One respondent also mentioned strawberries. According to these results, perhaps Nordic bilberries, raspberries and wild strawberries would have best chance to gain success in the Japanese market.

At one question, respondents were asked to pick up what characteristics they appreciate in the food products. The choices were high-quality ingredients, natural ingredients, vegan, preserves well, clean and unpolluted, health benefits, nothing above is important for me or then free, an open-ended choice which allowed respondents to write anything. The most important characteristic was natural ingredients which was selected by all respondents. Eight respondents also selected clean

and unpolluted and health benefits. Those three things were seen as the essential characteristics of the food products, but many respondents also selected high-quality ingredients. Vegan and well preserves were not seen that important. One respondent also noted that traceability of that where the ingredients are from is important.

When respondents were asked about their favorite Nordic foods, salmon-based foods were mentioned several times, like salmon soup and smoked fish, but also berries were mentioned multiple times. Surprising foods that were mentioned various times were Karelian pasties and macaroni casserole. When the respondents were asked about the potential food products or ingredients for the Japanese market, many respondents said that berries and especially dried berries could gain popularity in Japan. Also, Karelian pastries were mentioned with fish products, such as roe. Some of the respondents also mentioned that there are already some berry products that have gained popularity in Japan, such as blueberry products. One respondent also mentioned that companies should add Finnish flag to the package, as it would increase the value in the eyes of Japanese consumers.

In the last question of the questionnaire, respondents were allowed to anything regarding the Nordic brand which was not mentioned or discussed in earlier questions. Seven respondents answered this question, and some interest things were mentioned. For example, respondents felt that Japanese people would like if the products were produced in Nordic countries. If the product is initially made in Finland, Japanese people would be ready to pay more for it. It was also mentioned that Japanese people are drawn towards to Nordic countries because of the charisma of Nordic countries, built on the ideal values of Nordic lifestyle, like good education and family life. This mystical image of Nordic countries was seen as a tool which could be used in the marketing of Nordic products. In addition to these, frozen products were seen as a possibility, as then the roe or berries could be exported to Japan easily. Some respondents suggested thinking about good marketing when entering the Japanese market.

### **6.2.1 Questionnaire summary**

According to the results of the questionnaire, Nordic countries, food, and berries have a mainly positive brand image in Japan. The strongest points of the Nordic branding were the purity, nature and the natural ingredients which the Nordic forests produce. Also, the Nordic design was seen as

an interesting and strong selling point of the countries together with the traits of the honesty, flexibility, and diligence. According to these results, it seems that Nordic countries have a unique and positive country-of-origin effect for their products. As discussed earlier in chapter four, Kotler and Gertner say that country names can amount greatly when consumers make their purchasing decisions, and people may many times associate different values to the product just because of the country-of-origin. (Kotler & Gertner 2002, 250.) According to this, Nordic companies should start to show the country-of-origin in their product packages, as one of the respondents said. Usage of the country-of-origin could easily increase the value of Nordic products in the eyes of the Japanese consumers and increase the interest towards the products.

Another exciting aspect of the results of the questionnaire was what the Business Sweden's report regarding the food and beverage market of Japan pointed out. According to Business Sweden, Japanese people are not that interested in organic food or natural products, and European consumers spend 4,6 times more money on the organic food than Japanese consumers. (Business Sweden 2018, cited 15.4.2018.) According to the results of the questionnaire, there seems to be much interest towards natural ingredients among the Japanese people who live in Finland. The naturalness can be something that the respondents have started to regard as an essential aspect when they have been living in Finland, but it could be possible that there is growing demand for the natural ingredients in Japan too. According to the Business Sweden's report, there should be slowly, but gradually growing demand in Japan for organic and natural food products. (Business Sweden 2018, cited 15.4.2018.) It could be possible that Japanese people who live in Nordic countries could be trendsetters for the Japanese consumers regarding natural ingredients and products by exporting Nordic food products with them to Japan when visiting relatives and friends.

A surprising result from the questionnaire was the interest towards certain Nordic foods as Japanese people seemed to like meatballs, macaroni casserole, and Karelian pasties. It seems like meatballs, and Karelian pasties with frozen roe and berries could have market potential in Japan. From berries, especially Nordic bilberries may have good chance to gain popularity in Japan. Karelian pasty can be explained probably by that it maybe reminds Japanese people of a specific Japanese food, onigiri, which are rice balls filled with different salty fillings like salmon, tuna fish mayonnaise and are wrapped in seaweed. Onigiris are many times eaten as quick snacks and are typically sold in supermarkets and convenience stores. Convenience and similarity with onigiris could be the reason why Karelian pasties are liked by so many Japanese people as pasties are

also made mainly from rice and wrapped in rye bread. Perhaps Karelian pastries could be mass produced in Japan and sold in local convenience stores.

## 7 CONCLUSION

This thesis aimed to research the business potential of Nordic food and berries in Japan and the brand image of Nordic countries, food, and berries among the Japanese people. In addition to these, one aim of this research was also to get insight to what are the current characteristics of the Japanese food and beverage market. The primary research work of this thesis was split to two different entities; to a questionnaire aimed towards Japanese people, who either live or study in Japan and to e-mail interviews with professionals, who work with Japan-Nordic countries trade. The questionnaire aimed to research the brand value of the Nordic food and berries among Japanese people, while interviews aimed to research the business potential of Japan.

According to the results of the e-mail interview with Business Finland's senior advisor in Japan, Pekka Laitinen, Nordic countries have a lot potential in Japan. Especially Finland has a very positive brand image there. Unfortunately, it seems that Japanese people are not that familiar with Nordic food products or ingredients and those can be currently found only in specific stores in Japan, like in IKEA stores. According to the results, Finnish companies could use the nation brand as a part of their products' marketing, since according to Laitinen, Japan is the only country in Asia where Finland has strongest country brand among Nordic countries. In the end, it seems that Japan offers much potential for Nordic companies, but there are some problems in entering the Japanese market which companies should be aware of. Japan is a challenging market area because of the culture, language barrier and local laws. It is advised to get a knowledgeable consultant for the market penetration, who knows the local industry well. Companies should also be ready to invest a lot of money at the start, so the business would start to flow smoothly.

Questionnaire results gave a good insight of how the Japanese people view Nordic countries, food, and berries in brand perspective. The most influential points of the Nordic country brand are the nature, forests, purity and the characteristics of Nordic people which were diligence, honesty, and flexibility. Japanese people felt that they could easily trust Nordic companies to produce high-quality products and even pay the extra price if products are produced in Nordic countries. From the food perspective, respondents did see potential, especially in berries and roe. Surprisingly, Japanese people seemed to enjoy meatballs, macaroni casserole, and Karelian pasties. From berries, bilberries and raspberries were the most enjoyed, and there could be potential for those in Japanese food market. One questionnaire respondent also mentioned that the companies could

sell their food products more efficiently if they would put the Finnish flag on the product packages. It seems like Nordic companies which enter the Japanese market should use their country-of-origin aggressively in the marketing as it would quickly add positive values to the products and increase the sales. On the bottom line, it seems that Nordic countries have a very positive brand image in Japan and Nordic food products could have potential if companies are willing to invest in marketing and brand their products around the country-of-origin.

The research concludes that the Nordic countries have a very positive brand image in Japan and among Japanese people and that it could be used efficiently in the marketing. Japanese food industry also offers a potential for Nordic food and seems like especially frozen berries, and roe could gain success from the ingredients. From the food products, Japanese people seem to be interested in Karelian pasties and meatballs. Especially Finnish Karelian pasties could be probably mass produced in Japan and be sold as ready-made-food in local convenience stores like they are sold in Finland. As the Japan-EU Economic Partnership Agreement (EPA) will lower the tariffs of the exports to Japan, Nordic meat products, cheese, chocolate and non-alcoholic drinks could also have likely high success in Japan, as the Japanese market currently lacks the variety of cheeses and non-alcoholic drinks are increasing in demand all the time. Japan also has low meat production because of the limited land space, so Japan imports many its meat products from abroad, and since Nordic countries are seen as high-quality producers, Japanese people would probably be ready to pay for the Nordic high-end meat products.

### **7.1 Validity, reliability and significance**

When doing research, it is critical for a researcher to think about validity, reliability, and significance of their work. Validity means that have the researchers' methods, approaches and techniques relate to, or measure, the issue they have been exploring. Reliability explains how well the researcher has carried out their study. If another researcher would take same questions in the same settings and do a study, would this researcher come up with the same results? If they do, then the study can be judged as reliable. Significance has both a statistical meaning and a common-sense interpretation meaning. In statistical jargon, it refers to the likelihood that a result derived from a sample could have been found by chance and in general terms, significance tells how important a particular finding is judged to be. (Blaxter, Hughes & Tight 2010, 245.)

In this thesis, validity needs to be addressed in the methods used for collecting the data. Did the e-mail interview with a one person give enough information regarding the market potential to make assumptions about the current market situation in Japan? Has the questionnaire been the best method to collect information regarding the brand image of Nordic countries and food? Both data collection methods are valid ways to collect the data regarding this thesis' research questions as it quite hard to research the market potential or branding quantitatively. That is the reason why a qualitative approach, for both types of research, can be validated. The e-mail interviews are not the best way to do interviews as it is quite easy to lose the connection with interviewees and have a discussion with them. However, because of the geographical distance between Finland and Japan, the e-mail interviews were the best and the most efficient methods to do the interviewing. The questionnaire was also fast, and reliable method to get connected with Japanese people, as it would have been hard to travel to different locations to meet them.

The most significant issues in this research are in the reliability of research. As the response rates for both types of research, the interview, and the questionnaire, were low, as only one person answered to e-mail interview request and nine Japanese people answered the questionnaire. There is a possibility that if there had been more respondents in both types of research, the results would have been entirely different. It also affected the results that the questionnaire was answered by Japanese people who live in Finland as the results could have been different if some respondents would have lived in Sweden or Norway. The results could also be different, if respondents would have lived in Japan, although, Japanese people who live in Finland most likely have a better idea about what exactly is Nordic and can form more unique perspectives to it than Japanese people who have never visited Nordic countries or Finland. Now the results were also very Finland orientated and gave more perspective to Nordic branding from the Finnish point of view, rather than from the Swedish or Norwegian point of view.

When analyzing the significance of this thesis, we have to admit it is low. Even though the answers were interesting and exciting, we need to remember that the low amount of respondents causes the chance that results are unique by chance. That is a reason why this thesis should not be taken as a complete truth about the Japanese food market potential or regarding the Nordic brand, but as a viewpoint to the topic, used together with other available studies.

## 8 DISCUSSION

This thesis was produced as a part of the Arctic Berry Wax Project which researches the wax produced from berries and the market potential of this wax. This thesis was decided to take a more broad view of food and berries potential, and the wax part was left out. Ultimately, researching the brand image of Nordic food and berries and their market potential in Japan was decided to be the primary goal of the thesis.

Overall, planning the base of the research took time, as Japan is a rather hard market area to research because of the language barrier and distance. It was hard at the start to decide the method to research the Japanese market and Nordic brand image among the Japanese people. A questionnaire was aimed towards Japanese people who live or study in Finland, as this eliminated the need to do translations of the questionnaire questions to Japanese language and finding a distributor in Japan. It was also assumed that people who have lived in Finland have a clearer picture regarding the Nordic countries, their brand values and what exactly is Nordic food. Special thanks to Finnish Japanese Society (SJY) for distributing the questionnaire to their members. A tight schedule was also problematic for the research as there was not enough time to analyze the results as deeply as wanted.

Overall research process went smoothly, even though the lack of respondents was seen as a let-down. The questionnaire had many open-ended questions which could have been a reason, why many people did not answer it. In the end, nine people participated to questionnaire. Still, the research gave enough data to do analysis and results gave exciting ideas regarding Nordic brand image and market potential in Japan. In the future, it would be interesting to research the brand image of the Nordic food and countries among the Japanese people, who have never visited in Nordic countries and compare them to results received from people who have visited Nordic countries. It would also be a good idea to research market potential of Japan further, by providing information package regarding Japanese laws and regulations for the companies or by researching specific industries trends in Japan. It would also be very interesting to research marketing differences between the Nordic countries and Japan and what would be an effective marketing plan in Japan for Nordic food products. Further research regarding an effective product packaging is also necessary as Japanese people are very strict regarding the product packages and there is very limited information available regarding the effective packaging.



Feedback from the teachers, opponent and other students participating in seminars and the Arctic Berry Wax Project were beneficial during the research process. The feedback gave good ideas regarding improving the text, research and the methods of doing the research. Especially defining the research questions and research methodologies were problematic for this thesis because of the complexness of topic.

Overall, the learning experience of the thesis and research was rewarding. The research regarding Nordic brand image and Japanese market was, and there were not that many studies done earlier regarding this topic. Researching the Japanese market itself was very interesting, as the researcher had lived in Japan earlier and is interested in Japan and Japanese culture. The experiences gained from living in Japan most likely helped in analyzing the results of the questionnaire and finding relevant information for the background. During the research process, the data found regarding country branding and food branding were fascinating as those topics are rarely discussed during our university's marketing lectures. This thesis process also taught a lot regarding the research process and methodology and gave a good practice for the future.

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6.5.2018

Nordic Food and Berries Brand in Japan

## Nordic Food and Berries Brand in Japan

Tervetuloa vastaamaan kyselyyn Pohjoismaalaisen ruuan ja marjojen brändeistä. Tämän kyselyn tarkoitus on selvittää, miten japanilaiset kuluttajat, jotka joko asuvat tai opiskelivat Suomessa, näkevät Pohjoismaat, niiden ruokakulttuurin ja marjat. Tämä kysely tuotetaan osana opinnäytetyötä, joka on toimeksianto Nordic Berry Wax-projektilta.

Wax-projekti on Oulun yliopiston koordinoima tutkimushanke yhdessä Oulun ammattikorkeakoulun, Luulajan teknillisen yliopiston ja Norjan biotalouden tutkimuskeskuksen kanssa. Tutkimuksen tarkoitus on selvittää ja kehittää marjojen pinnasta saatavan vahan eri käyttö- sekä liiketoimintamahdollisuuksia.

Kyselyn täyttämiseen menee noin 10-15 minuuttia. Kiitoksia erittäin paljon etukäteen kaikista vastauksista.

Lisätietoa tutkimushankkeesta löytyy Oulun ammattikorkeakoulun ylläpitämältä sivustolta: <http://www.oamk.fi/fi/tutkimus-ja-kehitys/hankkeet/wax/>

Ystävällisin terveisin,  
Tuomo Heikura トウオモヘイクラ  
Kansainvälisen kaupan opiskelija  
[k4hetu00@students.oamk.fi](mailto:k4hetu00@students.oamk.fi)

Welcome to participate to questionnaire regarding Nordic food and berries brands. The purpose of this survey is to find out, how Japanese consumers, who live or study in Finland, see Nordic countries, their food culture and the berries. This questionnaire is produced as a part of bachelor's thesis, which is assignment from Nordic Berry Wax-project.

Wax-project is co-operative research project, lead by Oulu University together with Oulu University of Applied Sciences, Luleå University of Technology and Norwegian Institute of Bioeconomy Research. The purpose of this research project is to find and develop methods to extract wax from the arctic berries and find usage and business opportunities for the wax based products.

It takes around 10-15 minutes to answer this questionnaire. Thank you very much in advance for answering this questionnaire.

More information regarding the research project can be found from the website hosted by Oulu University of Applied Sciences: <http://www.oamk.fi/fi/tutkimus-ja-kehitys/hankkeet/wax/>

Best regards,  
Tuomo Heikura トウオモヘイクラ  
International Business Student  
[k4hetu00@students.oamk.fi](mailto:k4hetu00@students.oamk.fi)

\*Required

## Tausta | Background

### 1. Ikä | Age \*

Mark only one oval.

- 10-18 vuotta | years
- 19-25 vuotta | years
- 26-35 vuotta | years
- 36-50 vuotta | years
- 51-70 vuotta | years
- Vanhempi kuin 71 vuotta | Older than 71 years

6.5.2018

Nordic Food and Berries Brand in Japan

**2. Sukupuoli | Gender \****Mark only one oval.*

- Mies | Male
- Nainen | Female
- Muu | Other

**3. Kuinka kauan olet asunut Suomessa? | How long have you lived in Finland? \****Mark only one oval.*

- Alle 1 vuoden | under 1 year
- 1-2 vuotta | years
- 3-5 vuotta | years
- 6-10 vuotta | years
- 11-20 vuotta | years
- 21-30 vuotta | years
- Enemmän kuin 31 vuotta | more than 31 years

**Pohjoismaat, tuotteet ja brandit | Nordic countries, products and brands****4. Mitä sanoja yhdistät Pohjoismaihin? Kirjoita vähintään 5 eri sanaa. | What words do you connect to Nordic countries? Please write minimal 5 different words. \***


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**5. Mitä Pohjoismaalaisia (suomalaisia, ruotsalaisia tai norjalaisia) tuotebrändejä tunnet? Kirjoita vähintään 5 eri brändiä | What Nordic (Finnish, Swedish or Norwegian) brands do you know? Please write minimal 5 different brands. \***


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**6. Kun puhutaan markkinoinnista ja brändäyksestä, mitä asioita pidät Pohjoismaiden vahvuuksina? | When it comes to the marketing and branding, what do you think are Nordic countries' strengths?**


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6.5.2018

Nordic Food and Berries Brand in Japan

7. Mitä asioita taas pidät Pohjoismaiden heikkouksina? | What about the weaknesses of the Nordic countries?

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### Pohjoismaalaiset ruuat ja marjat | Nordic foods and berries

8. Mitä sanoja yhdistät pohjoismaalaiseen ruokaan? | What words do you connect to Nordic food? \*

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9. Mitä sanoja yhdistät pohjoismaalaisiin marjoihin? | What words do you connect to Nordic berries? \*

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10. Mitä seuraavia ominaisuuksia arvostat ruokatuotteissa? | What following characteristics of food products do you appreciate? \*

*Tick all that apply.*

- Korkealaatuiset raaka-aineet | High-quality ingredients
- Luonnolliset raaka-aineet | Natural ingredients
- Vegaani | Vegan
- Hyvää säilymistä | Preserves well
- Puhtautta ja saasteettomuutta | Clean and unpolluted
- Terveystyötyjä | Health benefits
- Mikään ylläolevista vaihtoehdoista ei ole minulle tärkeää | Nothing above is important for me
- Other: \_\_\_\_\_



6.5.2018

Nordic Food and Berries Brand in Japan

**11. Mitkä ovat lempimarjojasi? | What are your favorite berries? \****Tick all that apply.*

- Metsämansikka | Wild strawberry
- Juolukka | Bog bilberry
- Karpalo | Cranberry
- Lakka | Cloudberry
- Lillukka | Stone bramble
- Mesimarja | Arctic bramble
- Mustikka | Bilberry
- Puolukka | Lingonberry
- Riekonmarja | Alpine bearberry
- Vadelma | Raspberry
- Variksenmarja | Crowberry
- Other: \_\_\_\_\_

**12. Mitkä pohjoismaalaiset ruuat ovat lempiruokiasi? | What are your favorite Nordic dishes? \***

\_\_\_\_\_

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\_\_\_\_\_

**Pohjoismaalainen brändi ja markkinointi | Nordic brand and Marketing****13. Minkä pohjoismaalaisen ruokatuotteen uskoisit menestyvän Japanin markkinoilla? | What Nordic food product do you think could be sold successfully to consumers in Japan?**

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**14. Onko sinulla mitään suosituksia tai ideoita pohjoismaalaisesta brändistä, mitä aiemmat kysymykset eivät käsitelleet? | Do you have any suggestions or ideas about Nordic brand, which was not discussed in earlier questions?**

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## APPENDIX: QUESTIONNAIRE

APPENDIX 1 5(5)

6.5.2018

Nordic Food and Berries Brand in Japan



1. How long have you been working with Finland/Sweden/Norway and Japan trade?
2. How does Business Finland/Business Sweden/Innovation Norway assist Finnish/Swedish/Norwegian companies when they want to enter to Japanese market?
3. What do you think are Finland's/Sweden's/Norway's strengths and weaknesses when it comes to trade between Japan?
4. How strong Finland's/Sweden's/Norway's brand is in Japan? What are the strengths of Finland's/Sweden's/Norway's brand?
5. Have companies succeeded in entering the Japanese market? Do you think it is easy or hard to start doing business in Japan?
6. Are Japanese people interested in Nordic food and the ingredients? How well do you think Japanese people know Nordic Berries?
7. From Finnish/Swedish/Norwegian food industry, what products would have best chance to gain success in the Japanese market? Can you name any strengths of the Finnish/Swedish/Norwegian food products?
8. Do think Japan and European Union trade agreement will benefit Finland and Japan trade? What do you think will change?