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BASANT AND SARALA BIRLA PROFESSORIAL CHAIR
IN ASIAN FAMILY CORPORATIONS

VANSH SHAstra

Advancing the Knowledge-base to Strengthen Asian Family Businesses
by Asians for Asians

SPECIAL FEATURE

Shin Watanabe, The Gatekeeper of Gentlemen's Clothing

By Prof. Dr. Andrea Santiago

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UPCOMING EVENTS

4th Family Business Workshop
**You and Your Family Business:
 A Journey of Family Discovery**
 18 – 19 October 2018

The workshop will provide to family business members a journey of self-discovering to develop the skills, to strengthen and align business and family core values, to manage conflict and create family business communication styles.

5th Breakfast Forum
**Overcoming International Borders:
 Global Platforms of Family Businesses**
 15 November 2018

As countries adapt to globalization and reduced trade barriers, family businesses are challenged to improve international competitiveness and reach out to markets beyond local borders. This forum will have family business leaders sharing their insights on globalization strategies as they pursued opportunities to export local products, set-up international offices and branches, or establish international business partnerships. Further, they will discuss the challenges and solutions they deployed in managing operations in a different culture and environment.

For inquiries, please contact the **BIRLA Team** at birla@aaim.edu.



About Basant and Sarala Birla

From a mere surname, the name Birla has morphed into a known global brand. The business has grown into a legacy heralded by the grit and determination that spans four generations and a strong foundation based on values and strong business acumen.

ORIGINS

On 9th July 1918, Mr. Ghanashyam Das Birla (1894-1983), a noted philanthropist, freedom fighter, "Padma Vibhushan" (the second highest Indian civilian honor) recipient, and one of the closest associates of Mahatma Gandhi, established Birla Brothers and under its aegis set up a jute brokerage firm and jute mills in West Bengal, thus laying the foundation for the beginning of the Birla industrial group.

Mr. Basant Kumar Birla is the youngest son of Mr. GD Birla, born on 16th February 1921. His journey into the world of business started at the age of 15 in the offices of Birla Jute Mill, Kesoram Cotton Mills and Bharat Sugar Mill. In the next two decades, he set up many companies including Bharat Air, which was later nationalized and merged with Indian Airlines on 9th August 1953, Bharat Commerce and Industries Ltd., Jay Shree Tea & Industries Ltd., and Century Enka Ltd. He acquired various companies including Manjushree Plantations Ltd. and Century

Textiles. In 1959, he established the Indo Ethiopian Textiles Shares Company, which was the first major venture by any Indian industrialist. Thus, the family business became one of India's first truly multinational corporations with a wide array of various business categories

PERSONAL LIFE

On 30th April of 1942, Mr. Basant Kumar Birla married Madam Sarala (1923-2015), the daughter of freedom fighter Mr. Brij Lal Biyani. She came from a very emancipated family and was very well educated. She studied at Fergusson College and was an active sportsperson of repute especially in 'Kho-kho' and badminton.

The union of Mr. Basant Kumar Birla and Madam Sarala Birla became a partnership that shaped the dynamics of the BK Birla group. The foundation they laid, based on strong Asian family values, enabled future generations to bring the Birla legacy to greater heights. Mr. Basant Kumar and Madam Sarala raised three children; a son, Mr. Aditya Vikram Birla (1943-1995), AIM Governor (1991-1995) and founder of USD 41 Billion Aditya Birla Group; and two daughters, Mrs. Jayashree Mohta and Mrs. Manjushree Khaitan (current

Executive Vice Chairperson of Kesoram Industries), to whom they passed on the Birla family values of honesty, dependability and hard work.

Apart from the business, Mr. Basant K. Birla and Madam Sarala Birla are well-known for their community outreach initiatives and promotion of social causes. Mr. Basant K. Birla is the Chairman of the Birla Education Trust, Shree Krishnarpan Charity Trust, BK Birla Institute of Engineering & Technology (BKBIET), and various educational trusts and institutes such as the Sangeet Kala Mandir and Birla Academy of Art & Culture. Madam Sarala had pioneered girl education and was actively involved in the running of several schools in different parts of the country till her demise. They established more than 30 leading educational institutions that imparted education to more than 50,000 students in India and abroad.

Today, while Mr. Basant Kumar Birla is the Chairman of the group; Mrs. Manjushree Khaitan as the Executive Vice Chairperson of Kesoram Industries Ltd. manages the business affairs aided by a team of trusted professionals. She ably carries forward the BK Birla group mission of adding value to stakeholders namely customers, shareholders & society with integrity, commitment, zeal, seamlessness and speed.

VANSH SHASTRA

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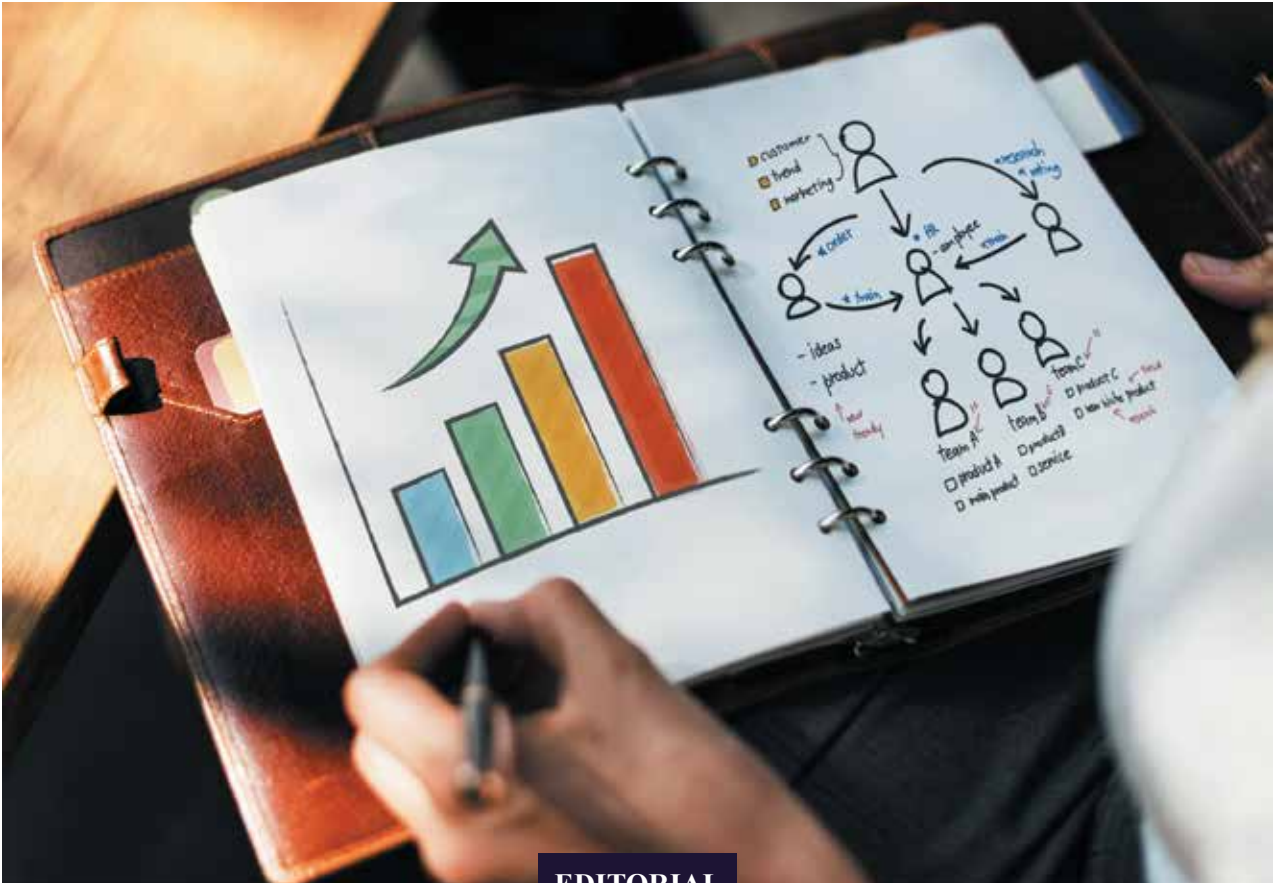
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EDITORIAL

Family Business – Our Home, Our Life

By Prof. Dr. Andrea Santiago

> *There are stories that show how difficult it is for some families to separate the family from the business and for business leaders to let go despite changing conditions. Some researchers say that this can cause the downfall of a business while other researchers believe that the competitive advantage of family businesses lie precisely in the degree of family embeddedness in the business.*

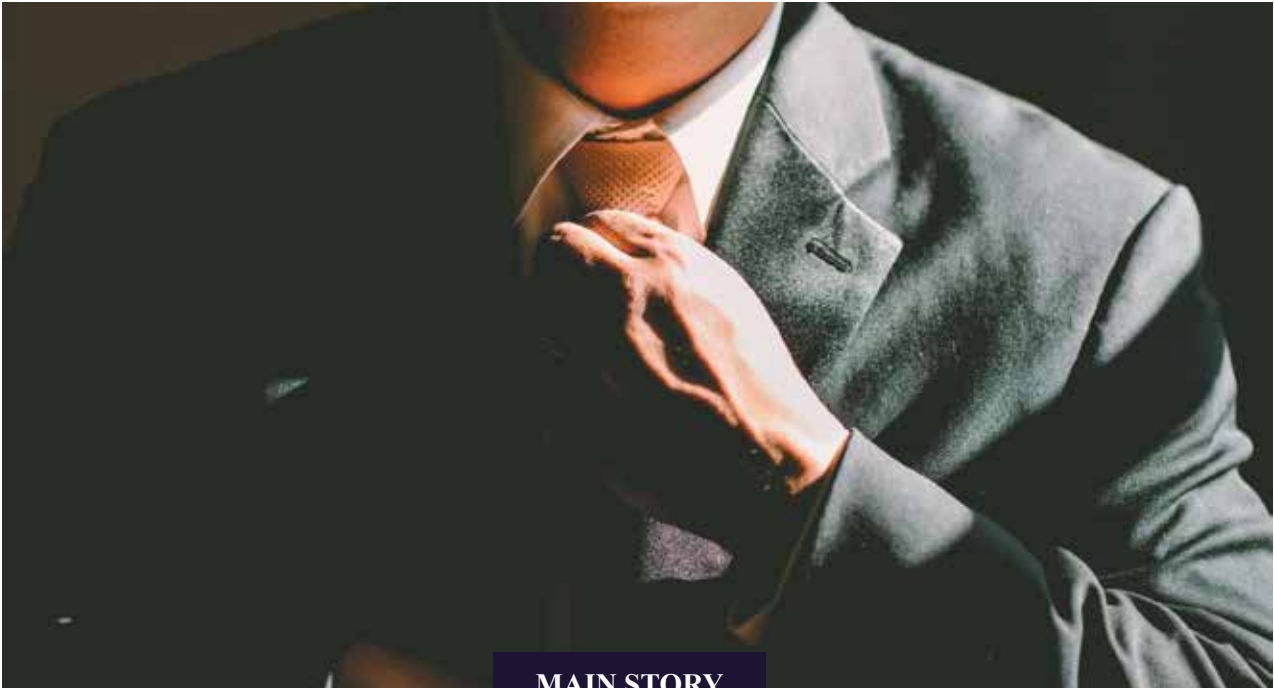
Especially for businesses that were started by a spouse or couple when their lives together began, the family business is not just a business, it is their way of life. This makes it difficult to separate the family from the business. In some cultures, families go through great lengths to ensure that the business stays with the family. Sometimes, they are willing to entrust the business to non-blood relatives, other times, they retain ownership but leave the management to professionals.

Families who are in transition look for quick-fix solutions that they can adopt. However, because each family is unique, those quick-fix solutions may not be appropriate for all types of families and all types of businesses. The best advise is always to reflect upon one’s own identity and consider the realities of the family and the business. In this way, the various options even of that of letting go of the business, as Shin Watanabe realizes, becomes a possibility.

“**The best advise is always to reflect upon one’s own identity and consider the realities of the family and the business.**”

Clearly, however, family businesses are more than a source of a livelihood, even if it started that way. As businesses evolve, the business begins to symbolize the life of the founder. Thus, the heritage that is passed on from one generation to another is not the physical structures; rather it is the relationships the founder has established with its customers. It is the promise that the family business will continue to serve its clientele in the same way it has done so when the business first began. If it cannot do that, then heritage becomes meaningless.

We, at the Basant and Sarala Birla Professorial Chair in Asian Family Corporations, hope that your family treasures its heritage for years to come.



MAIN STORY

Shin Watanabe, The Gatekeeper of Gentlemen's Clothing

By Prof. Dr. Andrea Santiago

➤ *“We have something that Amazon cannot provide our customers – the personal touch.”*

Shin Watanabe, grandson of Minoru Watanabe, founder of Ichibankan Tailor Company Ltd., sits confidently in his sitting room. Composed and refined, he shares how he took over his family business and made it his own.

“When I was growing up, Japan was in a bubble economy. It was a crazy time,” Shin recalled. “I returned to Japan after I finished my Fashion Design course at Domus Academy in Milan. It was a new program at that time and had a wonderful curriculum. We were only 25 in the class and the class was composed of students from Italy, France, Spain, and even Malaysia. There could be no more than three students from one curriculum.”

Shin learned about fashion design from the likes of Gianfranco Ferré. He recalled Ferré challenging students. “How can you survive this bloody fashion field over five years or 10 years. Fashion is competitive. There is no border. How can you survive this situation? If you depend on your talent or inspiration, you would be finished within three years,” Shin remembered Ferré asking. It was then Shin realized that research was the most important ability to survive this fashion field. After spending five more years in Europe, he returned to Japan with this in mind.

It was a difficult time for Japan when Shin returned to help in the family business. The bubble economy had burst, and people did not know how to operate at a time when money flow was restricted. Shin related, “I could not understand why people could not decide, could not act. There was a lot of friction, but I felt the situation was getting worse. So, I decided, I acted.”

When Japan was prospering, Ginza, where Ichibankan was located, was a very busy place. There were banks and other financial service institutions in every street. One by one the bank branches

were being closed and buildings sold to fashion companies like Gucci and Chanel. Competition became very stiff. “When I took over, I had to shrink operations. Previously, our store was in the ground floor, and our house was on the higher floors. That could no longer be. Today, our shop is so much smaller than it was before. I reduced the size and increased product quality. It was intense,” Shin relayed. Ichibankan factories were closed as well as some branches. Instead, Shin preferred to maintain the Ginza store and maintain a select clientele.

According to Shin, European fashion is surviving but it has to battle against fast fashion like Zara and the e-commerce businesses. The shop is the key to the success of their business. Shin shared, “If you go to a Gucci or Chanel building, there is a floor that has a gorgeous space only for special customers. It is not for shopping. It is a place where special guests can drink champagne and eat caviar. It is a place to show-off in a cozy, safe place.”

The tailoring business is a personal business. While Shin retains an area where he can meet with his customers, he is no stranger to house calls. For instance, he it is normal for him receive a call in the middle of the night from a special customer who would ask him to check his walk-in closet for a suit that would make him look extra dignified. Shin shared that the business is about nurturing very close relationships with his clientele. It is so close that he believes neither of his two daughters would take over the business since they did not train with him as they were growing up.

Shin has two daughters, the elder one studying at a university in Japan and the younger one set to study in England. Neither have expressed interest to take over the business. Just as assuredly, Shin states, “Maybe one day the store will close. That is one of the choices. People do not want to think about the moment of the end. But, even me and you, we will die. Not today, but someday. The business is the same. Japan has many, many old

companies. Maybe, one day, they will close. We have to realize that moment, but we have to think about the bright future. We have to think about many possibilities of the situation. You do not need to, and you should not ignore the death of the business.”

Shin likens the business to a professional sport or an artistic performance. The talent lies with the star player. One needs investment, training, and effort that starts when the potential successor was simply a child and continues through young adult life. Only then does Shin believe that someone can take over.

Meanwhile, Shin continues to implement the most important lesson he learned from Ferre - that the success of the business depends upon research. Shin is very attentive to the what is happening in the environment. Each day, he tries to apply something new. While the shop is still the same, the internal

processes differ. He still has loyal tailors or technicians who have stayed on with the family business, but he has adopted some high technology processes like designing patterns digitally instead of by hand.

At the end, Shin considers his business as a form of art enhanced only by the most personal conversations. “Bodies cannot be measured just with a tape measure... We would also grasp your taste and sensibility through conversation with you.”

An Ichibankan suit is a dream suit. What goes to an Ichibankan suit is not just the exquisite material and the fine sewing. When Shin converses with a client, it is about understanding his need. It is about making his clients more handsome. Thus, for Shin, the making of an Ichibankan suit is not a business. It is an activity, it is art, it is his way of life.

CORPORATE HIGHLIGHT

ICHIBANKAN TAILOR COMPANY LTD. (JAPAN)

➤ *For more than a century, the Japanese tailoring tradition was essentially focused on making the best kimonos in the world. It was only in 1930, that the western-style of tailoring was introduced in Japan. Minoru Watanabe, who had come from a family line of kimono-makers, decided to learn about western suits and established Ichibankan Tailor Company Ltd. in Ginza, Tokyo. As a young boy, he had been fascinated by a suit made by a Chinese tailor using British fabric. It was this fateful encounter that led him to concentrate on Western suits.*

In 1934, Minoru established a factory in Kobikocho, followed more than 20 years later with a factory in Koujimachi and another in Omori. Meanwhile, he branched out in key cities across Japan after gaining the sole right to import clothing material in 1947. Minoru subsequently launched Ichibankan Trading Company Ltd.

Men's clothing from Ichibankan Tailor Company was exquisite and gained international fame through the years. In 1981, Minoru Watanabe received “Lumb Golden Bale,” the highest award in the textile industry, from the British Royal family. He was the first Japanese award winner and had an audience with Queen. It was no surprise that shortly thereafter, the company was able to showcase its line at the London Mansion House and the Edinburgh Parliament House.

Together with Minoru was his son, Meiji, who also went abroad in 1960 to learn tailoring. Meiji worked with his father since his return in 1963 until the time his father died in 1992. It was no surprise he inherited the 100-employee tailoring business that by then had the 9-story building



in Ginza, three factories, several branches in key cities in Japan, and a store in London under the corporate name All England Ichibankan. Despite the extremely high inheritance taxes on the prime property in Ginza, Meiji chose to keep the property after the resounding plea of his mother to preserve the property that Minoru had worked so hard for.

Meiji Watanabe had two sons, Shin and Koji, whose career was influenced by the tailoring business. Shin succeeded his father and took over Ichibankan Tailoring Company while Koji established Koji Atelier when he returned from London College of Fashion. Koji's daughter Yoko is the assistant designer in the luxurious haute couture. Meanwhile, Shin continues the legacy of his grandfather in providing dignified, made-to-order men's clothing. Simple shirts sell for \$300 while a tailcoat costs a minimum of \$5000, prices suitable only to the most discerning clients.

In the words of the founder, “clothing should not be your armor, it should rather be your second skin”.

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Japanese Family Business: A Mixture of Culture and Strategy

By Allanne Mae I. Tiongco

➤ *“Scarce in critical natural resources, Japan has long been dependent on imported energy and raw materials” (Central Intelligence Agency, n.d.). Despite the constraints, the country has preserved an uptick in economic growth. According to World Bank (data.worldbank.org), Japan’s Gross Domestic Product (GDP) in 2017 was US\$4.87 trillion, up from US\$4.38 trillion in 2013. Central Intelligence Agency (CIA) (n.d.) noticed that the lion’s share was on the services sector, representing 69.3% of the GDP, while industry and agriculture sectors were responsible for 29.7% and 1%, respectively.*

“From culture to business, Japan sits a world apart – an isolated nation that through exceptional circumstances has allowed several thousand firms to remain in family hands for more than a century” (Finnigan, 2018). Notably, Japan is home to some of the oldest family businesses. For example, Kongo Gumi Co., Ltd., established in 578, is the oldest family business recorded. It was absorbed into a subsidiary in 2006 by Takamatsu Construction Group. In addition, the Guinness Book of World Records (n.d.) attributes to Nishiyama Onsen Keiunkan the title of the longest operating hotel in the world. In total, of the 5,586 companies in the world that are more than 200 years old, around 3,000 businesses are in Japan (Yonhap, 2008).

Schwartz and Bergfeld (2017) stated that business families around the world can learn from the Japanese family business model, which are built around four tenets]. First, Japanese family businesses prefer a solid corporate identity; a significantly distinct system of family guidance and administration; and a competent family member on top of the organization. These characteristics are on the back of the country’s unique culture. Second, they have

“Once a family business has mutually established a system and a hierarchy, the judgements and resolutions of the delegation are not to be questioned.

the “ie” (translated as family or home) concept, wherein they acknowledge and put emphasis on excellent talents outside the family such as adopting a promising non-family member to work for their family business (Mehrotra et al., 2011). Hence, this is intended to survive and preserve the family lineage. Third, another trend of Japanese family businesses, which is also in line with the “ie” system, is highlighting the importance of affection and closeness of family members on top of family constitutions and business structures. With this, the family prioritizes communication and support towards each other. Lastly, once a family business has mutually established a system and a hierarchy, the judgements and resolutions of the delegation are not to be questioned. Therefore, “if family businesses from around the world strive for future prosperity and family survival in an increasingly volatile, uncertain, complex and ambiguous world, learning from the success models of Japan’s family businesses can be a valuable contribution to a discussion about belonging, achievement and survival, together” (Schwartz & Bergfeld, 2017).

It is remarkable noting that Japan, once a poor and war-torn nation (before and during the Second World War), is now the third world's biggest economy (World Economic Forum, 2018). This became possible not only because of inculcating family culture into the business, but also due, among other things, to efficient management and marketing. Nagashima (2007) provided numerous niche marketing success stories of Japanese firms. In essence, Parrish (2010) defines niche marketing as concentrating business strategy on a specific consumer segment or market, while Toften and Hammervoll (2013) states that it is a fixated marketing towards a limited market with few customers and competitors, "where the concept of firm specialization, product differentiation, customer focus and relationship marketing are frequently applied."

As an example of niche marketing, Sudo Honke, established in 1141, is the oldest sake producer. Throughout their 877-year history, the process of brewing sake remains the same, including the type of water they use. Amidst an unchanging the process, Sudo Honke president Gen-uemon Sudo explained the secret: "A good sake is made with good rice. A good rice grows on good soil. A good soil contains good water and good water comes from good trees. In short, in respecting the trees, sake is respected" (Hubleur, 2017).

Another equally notable firm is the aforementioned Nishiyama Onsen Keiunkan. Aside from being the world's oldest operating business, it is also the world's most historical inn and longest-standing hot spring inn. It lies at the foot of Akaishi Mountains near Hakuho Springs, where all the hotel's hot water is exclusively sourced. Indeed, "no matter how much time has passed, Keiunkan embodies the unchanging hospitality fueled by the spirit of Japanese harmony towards our guests" (Keiunkan, n.d.).

In conclusion, "several researches...points out that the adherence to family values is the key reason for Japan to have the distinction of having the oldest family businesses" (Bhasin, 2017). The KPMG (2016) note out that there are



four rules learned from the Japanese family businesses. First, succession must be planned from the successors' early childhood. As mentioned above, Japanese families preserve their businesses through corporate identity, family guidance and administration, and competency of family members. Second, fathers must know when to retire. In relation to the "ie" concept, this is to safeguard the family lineage. Third, successors may sometimes be sought outside the family. As such, there are cases where Japanese families ought to adopt promising non-family members to sustain their family business. Lastly, businesses must preserve tradition and go on with the mission. Japanese family businesses are underpinned by respect for culture and family values because it is not the profit that they are mainly after, but the continuity of their business to pass down to the next generation.

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Niche Marketing: Standing Out by Aiming Low

By Kristine Gail Lobo and Allanne Mae I. Tiongco

▶ *Like a ship in the vast ocean (Nagashima, 2007), Japan lacks natural resources. It is dependent on foreign sources of food supply since climate is harsh. At the end of Second World War, the nation was in ruins. Yet, the Japanese exhibited their innate resilience to find a way forward from the starvation and death, and devastation of war. Branded as an “economic animal,” the Japanese worked hard to survive, and dramatically shifting to economic growth in an unprecedented rate. Other Asian countries may have attached greater value to religion, culture, and tradition because they are blessed with natural resources and abundant food crops that liberate from them needing to pursue economically driven goals. Japan, on the other hand, developed a culture of a “workaholic life.” Hence, Japan, once a poor, war-torn nation, climbed its way to economic glory by carving its own alcove and competing globally.*

To stand out, Japan’s dedication to establish and position itself in the global market has something to do with niche marketing. The country focused on “the way of life” and was able to find its niche in the constant changing socioeconomic system. The Kadoya Sesame Mills, Inc. are considered as an example of a family business improving the niche marketing model. Since the generation of grandmothers, mothers, to the current generation, this sesame oil brand is still used in Japanese households and other countries as well. In fact, Japan is one of the key players in the sesame oil market (Transparency Market Research, n.d.).

Although it was absorbed into a subsidiary, Kongo Gumi Co., Ltd. has been operating since 578. Hence, it was the oldest family business recorded. It stuck around so long as they

“With a niche strategy, you leverage your expertise in one area to stand out from your competition.”

“tend to be clustered in (an industry) that never really go out of style” (Pinsker, 2015). The firm specialized in building Buddhist temples – a dependable bet in a country with a strong Buddhist history.

The Akita Seishu Co., Ltd. also mastered its niche in its sake brands – Dewatsuru, Kariho, and Yamato Shizuku – by using different techniques and distinct types of water. Japan External Trade Organization (n.d.) explained that the Dewatsuru tends to be a gentler, milder drink on the back of the soft water from Dewa Hills aquifer, mixed with few certified organic sakes. On the other hand, the Kariho has a more mineral-heavy water source resulting in a drier, sharper taste, while the Kariho Daiginjo has a lighter, clearer taste. Meanwhile, the Yamato Shizuku is a product of hyper-local production – all ingredients are obtained within a 10-kilometer radius.

NICHE MARKETING

Caused by the so-called Third Wave (or Information Age), “the mass society, for which the corporation was designed,

is beginning to de-massify” (Toffler, 1980). While these two “waves” of social changes – agricultural and industrial – pushed society to revolutionize in technology, in social patterns, and in information, the market also adapted to these changes. Hence, the demassification and the following mass customization triggered the transition from mass marketing to niche marketing. It created a plethora of smaller markets which demands continuous change and customization (Weinstein, 1994).

In terms of business profits, the transition from mass marketing to niche marketing established a stronger focus on customer satisfaction, aiming at greater profits. Kotler, cited in Weinstein (1994, p. 37) noted that the main reason why the market “niche” is better than the mass marketer is because the former ends up knowing target customers better, so it meets their needs in a more satisfactory manner. The transition from mass to specialized marketing enabled a customer demand-driven production. Niche marketing redirected its course from transactional to a relationship-driven paradigm, where needs were catered to and expectations were met (Kotler, 2000).

However, in order to employ this model, there are a set of conditions that need to be considered. McNamara (2007) explained that it is important to identify the make-or-break factors in choosing one’s niche – experience, credibility, and contacts. Falkenstein (cited in Entrepreneur Media, Inc., 2014) identified seven steps in creating a good niche, namely: (1) identify the target market; (2) focus on the product/service; (3) distinguish the needs and wants based on the target market’s perspective; (4) hone ideas fit to the target market’s needs and wants; (5) assess the ideas; (6) test the concept; and (7) implement the concept and ideas.

“With a niche strategy, you leverage your expertise in one area to stand out from your competition” (McCormick, 2016). This strategy implies numerous advantages as compared to mass marketing. McCormick (2016) enumerated some benefits of niche marketing. First, it enhances customer relationships, as it focuses on a specific type of target market. Second, competition is limited. Third, an increase presence in the



market. Fourth, word-of-mouth growth, which means there is a bigger possibility to get the word out about the business. Fifth, it promotes specialization and enhances particular areas of expertise. Lastly, it deploys less resources due to the specific target market, corresponding to fewer resource-consuming trials and errors.

In conclusion, Japan’s historical and economic transitions have led its way to niche marketing – catering to the right market segment, customizing according to their needs, and perfecting the model to survive generationally. The Japanese has mastered the niche business model, turning mainstream products into a specialized one while generating profits. For instance, the Design Tokyo, a Japanese event where participants are tasked to innovate products on the back of specialized interest and niche marketing. In this event, the participants were able to link specialized products with diversified markets. Hence, “this reflects the way that the Japanese consumer market has moved on from being the simple mass market of yesteryear and its subsequent evolution into something far more complex” (Gombrich, 2016).

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Snapshots



AIM-BIRLA Interviews with Japanese Businessmen

Prof. Dr. Andrea Santiago interviews Hiroko Morohashi, Representative Director, United Sports Foundation. Together in picture is Prof. Yoshiro Yamamura of Meiji University and Prof. Ryuji Konishi, Vice-Chair, MEXT-Cooperation-Committee for renovation of Japanese B schools/Education. March 23, 2018, Tokyo, Japan.



AIM-BIRLA Interviews with Japanese Businessmen

Prof. Dr. Andrea Santiago interviews Shin Watanabe, President/CEO of Ginza-Ichibankan. Together in picture is Prof. Yoshiro Yamamura of Meiji University. March 23, 2018, Tokyo, Japan.



Moving the Entrepreneurial Family Firm to the Next Level: Views from Different Lenses

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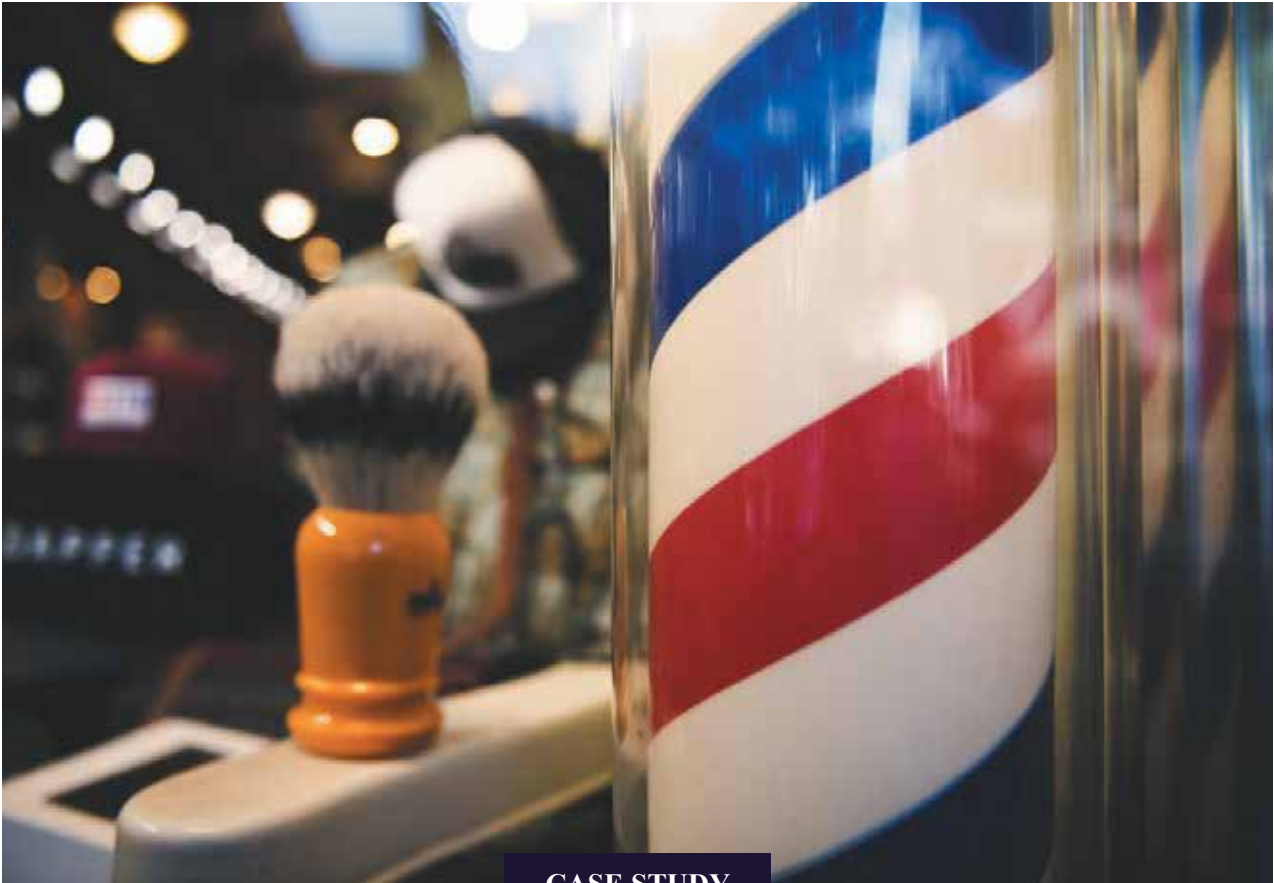
Prof. Dr. Andrea Santiago with participants from eight families from several industries such as pharmaceutical, real estate, and agriculture.



Family Business Management: Teacher Training Course

Family Business Workshop | 28-29 May 2018 | Asian Institute of Management

Prof. Dr. Andrea Santiago with entrepreneurship and family business teachers from Ateneo de Davao University, Cordillera Career Development College, Entrepreneurs School of Asia/Thames International, Palawan State University, Polytechnic University of the Philippines, San Beda University, University of Asia and the Pacific



CASE STUDY

Dreams versus Legacy: The Case of Kaito Barber Shop

By Kristine Gail C. Lobo, Carolina Varela and Allanne Mae I. Tiongco

➤ *Mei Izumi Kaito was preparing for her much awaited debut as a fashion designer in Paris, when she received disheartening news.*

“Mei, please come home. Your father is no longer with us,” she recalled the message that her mother, Aika Sakura, delivered by phone.

“What happened?” Mei exclaimed in shock.

“Just come home. I need you here, your father’s employees need you here. Hurry!” her mother implored.

Hurriedly, Mei booked a flight and flew to Tokyo. While in the plane, she wondered what her next steps would be. She had moved to Paris five years ago to make a name for herself as a fashion designer. She mentored under a famous couturier who offered her a chance to showcase her line in a private show. She was so excited as this was her chance to prove that she had what it took to make a career in fashion.

When she left, she recalled her father, Kanon Kaito, was sad that she would not be beside him to grow the family business. Yet, as a loving father, he allowed her to pursue her dreams. After all, he was young and healthy.

Returning to Japan for the funeral, Mei was confused. In Paris, she had an opportunity to fulfill her dream; in Japan, she would



have the opportunity to live her father’s legacy. She continued to ponder as she recalled how the business began.

THE FAMILY BEHIND KAITO BARBERSHOP

Shieko Kaito, Mei’s grandfather, opened Kaito Barbershop fifty years earlier along the streets of center Gai. It was a small neighborhood barbershop with two other barbers whom Shieko trained, as well as two assistants. Aside from haircuts, he also offered manicure services and back rubs.



More than a barbershop, the 30-square meter shop was a place for the local men to come together and chat after a hard day's work. Shieko would offer them tea and listen to stories the men had to share. He knew his clientele personally. He knew the haircut they wanted, the day in the week and the time of day they wanted to visit, and the type of service each enjoyed depending on the day of the month they visited.

Kanon grew up spending a lot of time in the barbershop. He played with the young school boys who accompanied their father for their regular haircuts. He knew all the men who visited the shop, listening to their stories, and laughing with them and their children. It was no surprise that he gained an interest in the business of his father.

After finishing his studies, Kanon decided to expand his father's business. He found a cozy spot in Nagasaki where he established the second branch. He worked in this branch and began to innovate. Besides the personal touch that his father provided, he also began to experiment with other services that other barbershops were beginning to offer. When his model succeeded, he hired a relative to manage the branch and then opened a third branch in Kitakyushu that he managed himself.

It was shortly after the third branch opened when Shieko passed away. Many of the clientele of Kaito Barbershop condoled with the family. Kanon promised them he would continue to provide the services offered in his father's original branch. Kanon, thus shuttled among the branches, ensuring that the personal touch was still evident even as he continued to innovate. After all, his clientele was also getting younger and had needs of their own.

MEI AND KANON

Like her father, Mei would visit the barbershop of her grandfather and later her father, as she was growing up. However, since the clientele were basically men, she stopped visiting the stores as she matured.

Mei knew early on that she would not follow in her father's footsteps. She took an interest in fashion and she was able to

“He knew all the men who visited the shop, listening to their stories, and laughing with them and their children. It was no surprise that he gained an interest in the business of his father.”

convince her parents to allow her to travel to Paris to pursue her dream. It was a difficult time for the family as Kanon still wanted his daughter to be with him. He even offered her an opportunity to open a female salon using the same business model as the barbershop. It was a tempting offer, but she had to know first if she could have a career in fashion. Reluctantly, her parents allowed her to leave. That was five years ago.

THE DAY AFTER

Aika Sakura talked with Mei the day after the funeral. She wanted to know what she would do with the barbershop that employed 20 barbers, assistants, and backroom staff.

“Your father would like you to run the business,” Aika Sakura said. “It is making money and giving livelihood to the 20 employees. There are also some funds set aside should you want to expand or establish a beauty salon.”

Mei did not know how to answer her mother. She felt she had a duty to her father to continue not only his legacy but that of her grandfather, Shieko. However, she was just about to launch her career in fashion. She wondered if there was a way she could do both.