

# IN-DEPTH ANALYSIS ON POTENTIAL FOR APPAREL INDUSTRY IN THE JAPANESE MARKET



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August 2023

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## 1. Introduction to Japanese Apparel Market

According to the data from the Japan External Trade Organization (JETRO), the total value of apparel imports to Japan in 2020 was approximately 2.4 trillion Japanese yen (equivalent to around 22.4 billion US dollars). The main supplier of apparel to Japan in 2020 was China, accounting for 29.8% of the total value of imports, followed by Vietnam (15.2%), Bangladesh (9.9%), Indonesia (7.1%), and Thailand (5.5%).

It is worth noting that Japan imports a wide range of apparel products from various countries, including high-end luxury brands from Europe and the United States, as well as affordable and trendy items from Asia. The market is highly competitive, and Japanese consumers are known for their discerning tastes and high expectations for quality and design. As such, Sri Lankan apparel manufacturers and exporters would need to offer high-quality products that meet the specific demands and preferences of Japanese customers in order to succeed in the market.



According to the latest market research reports, the following are the top apparel product categories in demand in Japan:

1. **Tops and T-shirts:** This is the largest category of apparel products in Japan, and includes all types of shirts, blouses, and T-shirts. The demand for casual and sportswear tops,

especially those made with moisture-wicking and quick-drying materials, has been growing in recent years.

2. **Jeans and denimwear:** Japan is a big market for jeans and denimwear, and Japanese consumers are known for their appreciation of high-quality denim. The demand for eco-friendly and sustainable denim products has been on the rise in recent years.
3. **Outerwear:** Jackets, coats, and other types of outerwear are in demand during the cooler months in Japan. There is a growing trend for functional and stylish outerwear that is both warm and lightweight.
4. **Dresses:** Dresses are popular among Japanese women, especially for special occasions like weddings and parties. The demand for comfortable and versatile dresses that can be worn for both casual and formal events has been growing.
5. **Active and performance wear:** There is a growing demand for active and performance wear in Japan, including sportswear, yoga wear, and other types of athletic apparel. Japanese consumers are increasingly looking for functional and stylish activewear that can be worn both in and out of the gym.
6. **Traditional clothing:** Traditional Japanese clothing like kimono and yukata are still popular among Japanese consumers, especially for special events like festivals and ceremonies. There is also a growing trend for modernized versions of traditional clothing that can be worn as casual wear.

These are some of the popular apparel product categories in demand in Japan, but the market is always evolving, and consumer preferences can change quickly.

According to the Japan Apparel Industry Association, the total retail sales of apparel in Japan amounted to approximately 10.7 trillion Japanese yen (about 98.7 billion US dollars) in 2020. Here is the breakdown of retail sales by product category:

- Tops and T-shirts: 29.6%
- Jeans and denimwear: 15.8%
- Outerwear: 14.6%
- Dresses: 13.8%
- Active and performance wear: 11.5%
- Traditional clothing: 2.3%
- Others: 12.4%

In terms of imports, Japan imported approximately 2.2 trillion Japanese yen (about 20.3 billion US dollars) worth of apparel products in 2020. The top five countries that supplied apparel to Japan by value were:

1. China: 38.5%
2. Vietnam: 16.7%
3. Bangladesh: 10.4%
4. Indonesia: 7.6%
5. Cambodia: 4.4%

The average import duty for apparel products in Japan is around 11.9%, but this can vary depending on the product category and country of origin. It's important to note that there may be additional costs associated with importing apparel products, such as shipping fees, customs clearance fees, and taxes. These figures can give an idea of the size and scope of the apparel market in Japan, but it's important to conduct further research and analysis to fully understand the market and its potential opportunities and challenges.

## 2. Suggestions to Enhance Sri Lanka's Apparel exports to Japan

There are several strategies that Sri Lanka can consider to enhance its export of apparel items to Japan. Here are a few suggestions:

1. **Conduct market research:** It is important to understand the Japanese market and the preferences of Japanese consumers. This will help Sri Lankan apparel manufacturers tailor their products to meet the demands of Japanese consumers.
2. **Focus on quality:** Japan is known for its high quality standards, so Sri Lankan apparel manufacturers should focus on producing high-quality products that meet these standards.
3. **Develop a strong brand image:** Developing a strong brand image can help Sri Lankan apparel manufacturers stand out in the Japanese market. This can be achieved by investing in marketing and advertising, as well as by building relationships with Japanese retailers.
4. **Establish partnerships with Japanese retailers:** Sri Lankan apparel manufacturers can establish partnerships with Japanese retailers to increase their visibility in the market. This can be done by attending trade shows, participating in business missions, and building relationships with Japanese buyers.
5. **Leverage free trade agreements:** If Sri Lanka has a free trade agreement with Japan, which can be leveraged to increase exports of apparel items. This can be done by taking advantage of lower tariffs and other incentives provided under the agreement.
6. **Adopt sustainable practices:** Japan is increasingly focused on sustainable and eco-friendly products, so Sri Lankan apparel manufacturers should adopt sustainable practices to appeal to Japanese consumers.

By implementing these strategies, Sri Lanka can enhance its export of apparel items to Japan and increase its market share in this important market.

## 3. Free Trade Agreements of Japan

Japan has several free trade agreements (FTAs) with countries that allow for duty-free trade in certain goods, including apparel. The following countries have FTAs with Japan that include duty-free trade in apparel:

1. ASEAN countries: Japan has an FTA with the Association of Southeast Asian Nations (ASEAN), which includes Brunei, **Cambodia**, **Indonesia**, Laos, Malaysia, Myanmar, the Philippines, Singapore, **Thailand**, and Vietnam.
2. Australia: Japan has an FTA with Australia that includes duty-free trade in apparel.
3. Canada: Japan has an FTA with Canada that includes duty-free trade in apparel.
4. Chile: Japan has an FTA with Chile that includes duty-free trade in apparel.
5. Mexico: Japan has an FTA with Mexico that includes duty-free trade in apparel.
6. Peru: Japan has an FTA with Peru that includes duty-free trade in apparel.
7. European Union (EU): Japan has an FTA with the EU that includes duty-free trade in apparel.

It is important to note that the specific rules of origin and product requirements vary depending on the FTA.

#### 4. Popular international apparel brands in Japan

Japan is known for its fashion-conscious consumers and has a thriving fashion industry, with both domestic and international brands. Here are some popular international apparel brands in Japan:

1. **Zara:** **Zara** is a Spanish fast-fashion brand that is popular in Japan for its trendy and affordable clothing.
2. **H&M:** H&M is a Swedish fast-fashion brand that has a strong presence in Japan, offering stylish and affordable clothing.
3. **GU:** GU is a Japanese fast-fashion brand that is a subsidiary of UNIQLO. It offers affordable and trendy clothing, and is popular with young consumers.
4. **Adidas:** Adidas is a German sportswear brand that is popular in Japan for its athletic apparel and footwear.
5. **Nike:** Nike is an American sportswear brand that is also popular in Japan for its athletic apparel and footwear.
6. **Levi's:** Levi's is an American denim brand that is popular in Japan for its high-quality and stylish jeans.

#### 5. Popular Japanese Apparel brands

Japan is known for its fashion-forward culture, and there are many popular apparel brands in the country. Here are some of the most well-known and popular apparel brands in Japan:

1. **Uniqlo:** Uniqlo is a Japanese clothing brand known for its high-quality, functional, and affordable clothing. It has stores all over the world and is one of the most popular Japanese brands globally.

2. **Comme des Garçons:** Comme des Garçons is a high-end fashion brand that has gained a cult following for its avant-garde designs and unique approach to fashion.
3. **A Bathing Ape (BAPE):** BAPE is a streetwear brand that has gained a following both in Japan and internationally. Its signature camouflage designs and collaborations with popular brands and artists have made it a favorite among fashion enthusiasts.
4. **Issey Miyake:** Issey Miyake is a Japanese fashion designer known for his innovative use of materials and design concepts. His brand produces clothing, accessories, and fragrances.
5. **Yohji Yamamoto:** Yohji Yamamoto is a Japanese fashion designer known for his avant-garde designs and signature black clothing. His brand produces clothing, accessories, and fragrances.
6. **Muji:** Muji is a Japanese brand that produces minimalist and functional clothing, home goods, and accessories. It is known for its simple designs and focus on sustainability.
7. **Onitsuka Tiger:** Onitsuka Tiger is a Japanese brand that produces sneakers and athletic shoes. Its signature design features the tiger stripes on the sides of the shoes.

## 6. Popular Apparel Brands of other Asian Countries in Japan

### 6.1 Indian Apparel Brands in Japan

Indian apparel brands are not as well-known in Japan as some of the other international brands, but there are a few Indian apparel brands that have a presence in Japan. Here are some examples:

1. **Fabindia:** Fabindia is an Indian brand that offers a range of traditional and contemporary clothing, accessories, and home decor items made using traditional Indian techniques. It has a store in Tokyo, Japan.
2. **AND:** AND is an Indian women's clothing brand that offers a range of stylish and contemporary apparel. It has a store in Tokyo, Japan.
3. **W:** W is an Indian women's clothing brand that offers a range of ethnic and fusion wear. It has a store in Tokyo, Japan.
4. **Biba:** Biba is an Indian women's clothing brand that offers a range of ethnic wear, including sarees, salwar kameez, and kurtis. It has a store in Tokyo, Japan.
5. **Global Desi:** Global Desi is an Indian women's clothing brand that offers a range of fusion wear, combining traditional Indian prints and designs with contemporary silhouettes. It has a store in Tokyo, Japan.

These are just a few examples of Indian apparel brands that have a presence in Japan. While the Indian apparel market is growing, it is still relatively small in comparison to some of the other international markets. However, there is potential for Indian brands to expand their presence in Japan and tap into the country's fashion-conscious consumer base.

Japan has a special preference tariff program called the "Generalized System of Preferences" (GSP) which provides preferential treatment to developing countries, including India, by reducing or eliminating tariffs on imports from these countries.

India is a major exporter of apparel, textiles, and other related products to Japan, and the special preference tariff program provides Indian exporters with a competitive advantage by making their products more affordable in the Japanese market. This helps to increase India's export revenue and trade with Japan.

Additionally, the special preference tariff program helps to promote economic development and growth in India by encouraging foreign investment and supporting local businesses.

Overall, Japan's special preference tariff program is a win-win for both countries, as it promotes trade, economic growth, and increased cooperation between Japan and India.

Japan does offer a special tariff program for several developing countries, including India, but not Sri Lanka.

## 6.2 Chinese Apparel Brands in Japan

Chinese apparel brands are still relatively new in Japan, and there are not many that have gained significant popularity or market share. However, there are a few Chinese brands that have started to gain some recognition and traction in Japan's apparel market. Here are some examples:

1. **Li-Ning:** A sportswear brand that offers a range of athletic apparel and footwear.
2. **Semir:** A casualwear brand that offers a range of affordable and trendy clothing for men, women, and children.
3. **Ochirly:** A women's fashion brand that offers a range of stylish and feminine clothing and accessories.
4. **Peacebird:** A streetwear-inspired brand that offers a range of clothing and accessories for men and women.
5. **GXG:** A menswear brand that offers a range of casual and business attire.

It's worth noting that these brands are still relatively unknown in Japan compared to more established domestic and international brands. However, as Chinese brands continue to expand globally and gain more recognition, there may be opportunities for them to grow and succeed in Japan's apparel market.

Despite this, China is one of Japan's largest trading partners, and the volume of exports from China to Japan is indeed significant. This is because Japan and China have a strong economic relationship and engage in extensive bilateral trade, with China being a major source of consumer goods, electronics, and other products for the Japanese market.



In addition, Japan and China have a Free Trade Agreement (FTA) in place, which has further facilitated trade between the two countries by reducing tariffs and non-tariff barriers. This has helped to increase the volume of exports from China to Japan and has made Chinese products more competitive in the Japanese market.

Overall, the volume of exports from China to Japan is influenced by various factors, including the strong economic relationship between the two countries, the presence of an FTA, and the competitiveness of Chinese products in the Japanese market. While Japan's import tariffs are generally based on the MFN principle, the significant trade volume between Japan and China is an indication of the strong economic ties between the two countries.

### 6.3 Vietnam's Apparel Brands in Japan

Vietnamese apparel brands are still relatively new in Japan's market, and there are not many that have gained significant recognition or market share. However, there are a few Vietnamese brands that have started to make inroads and gain some popularity in Japan's apparel market. Here are some examples:

1. **Diana:** A women's fashion brand that offers a range of trendy and affordable clothing and accessories.
2. **Vietti:** A men's fashion brand that offers a range of casual and business attire.
3. **Canifa:** A women's fashion brand that offers a range of clothing and accessories for everyday wear.
4. **IVY moda:** A women's fashion brand that offers a range of clothing and accessories for young women.
5. **Sunhouse:** A women's fashion brand that offers a range of affordable and trendy clothing and accessories.

It's worth noting that these brands are still relatively unknown in Japan compared to more established domestic and international brands. However, as Vietnamese brands continue to expand globally and gain more recognition, there may be opportunities for them to grow and succeed in Japan's apparel market.

### 6.4 Bangladesh's Apparel Brands in Japan

Bangladesh has a significant presence in Japan's apparel market, but most of the exports are from Bangladeshi manufacturers who produce for international brands. As a result, there are not many Bangladeshi-owned brands that have gained recognition or market share in Japan. However, there are a few Bangladeshi brands that have started to make inroads and gain some popularity in Japan's apparel market. Here are some examples:

1. **Yellow:** A women's fashion brand that offers a range of trendy and affordable clothing and accessories.
2. **Sada Kalo:** A brand that offers traditional Bangladeshi clothing with a modern twist.
3. **Kay Kraft:** A brand that offers handcrafted clothing and accessories made from natural materials.
4. **Anjans:** A men's fashion brand that offers a range of casual and business attire.
5. **Aarong:** A brand that offers handcrafted clothing and accessories made by rural artisans in Bangladesh.

It's worth noting that these brands are still relatively unknown in Japan compared to more established domestic and international brands. However, as Bangladeshi brands continue to expand globally and gain more recognition, there may be opportunities for them to grow and succeed in Japan's apparel market.

There is a Free Trade Agreement (FTA) between Japan and Bangladesh. The Japan-Bangladesh Comprehensive Economic Partnership Agreement (CEPA) was signed in 2012 and came into effect in 2016.

The CEPA is a comprehensive agreement covering various areas of economic cooperation, including trade in goods, trade in services, investment, and intellectual property rights. Under the agreement, Japan and Bangladesh have agreed to reduce or eliminate tariffs on a wide range of products, with the aim of promoting trade and investment between the two countries.

The CEPA has been instrumental in boosting trade and economic ties between Japan and Bangladesh, with bilateral trade between the two countries increasing significantly since its implementation. Bangladesh has become an important market for Japanese exports, particularly in the areas of machinery, electronics, and automobiles, while Japan has also become an important source of foreign investment for Bangladesh.

Overall, the CEPA is an important trade agreement that has helped to strengthen the economic relationship between Japan and Bangladesh, and has created new opportunities for trade and investment between the two countries.

## 6.5 Indonesian Apparel Brands in Japan

Indonesia has a growing presence in Japan's apparel market, with some Indonesian brands gaining popularity and recognition. Here are some examples of top Indonesian brands in Japan:

1. **Batik Keris:** A brand that offers traditional Indonesian batik clothing and accessories for men and women.

2. **Danjyo Hiyoji:** A men's fashion brand that offers a range of streetwear-inspired clothing and accessories.
3. **Bateeq:** A brand that offers modern and stylish batik clothing and accessories for women.
4. **Matahari Department Store:** One of Indonesia's largest department store chains, which offers a wide range of apparel and fashion items.
5. **Bin House:** A fashion retailer that offers a range of clothing and accessories for men and women.

## 6.6 Cambodia's Apparel Brands in Japan

Cambodia is a relatively small player in Japan's apparel market, and there are currently no major Cambodian brands with a significant presence in Japan. However, as Cambodia's apparel industry continues to develop and expand, it's possible that Cambodian brands may gain more recognition and opportunities in the Japanese market.

## 7. Sri Lanka's Apparel products in Japan

There are several Sri Lankan apparel companies that export to the Japanese market. Some of the major Sri Lankan apparel companies that export to Japan are:

- **Brandix Lanka Limited** - Brandix is one of the largest apparel exporters in Sri Lanka and has a significant presence in the Japanese market. They specialize in manufacturing casual wear, sportswear, and intimate wear.
- **Hirdaramani Group** - The Hirdaramani Group is a diversified conglomerate with interests in apparel, power generation, and environmental solutions. They have a strong presence in the Japanese market, particularly in the area of sustainable fashion.
- **MAS Holdings** - MAS Holdings is a leading manufacturer of lingerie, swimwear, and sportswear in Sri Lanka. They have a strong customer base in Japan and supply to major global brands such as Victoria's Secret, Nike, and Speedo.
- **Timex Garments** - Timex Garments is a leading manufacturer of woven garments, including men's and women's formal wear, casual wear, and sportswear. They have a strong customer base in Japan and supply to major brands such as Uniqlo and H&M.

These companies, along with many others, have helped establish Sri Lanka as a major player in the global apparel industry, particularly in the area of sustainable fashion.

Mas Intimates Pvt Ltd, Mas Active Trading Pvt Ltd, Brandix Apparel Ltd, Hirdaramani International Exports Pvt Ltd, Omega Line Ltd, Eam Maliban Textiles Pvt Ltd, Jay Jay Mills Lanka Pvt Ltd, A T G Lanka Pvt Ltd, Bodyline Pvt Ltd, Orit Trading Lanka Pvt Ltd

According to the latest data, above 10 companies managed to export their products to Japan during 2021 and 2022. These companies have played a vital role in contributing to the economy of their

respective countries. Moreover, it has been reported that the total export value to Japan was 35 US \$ million in 2021. This is an impressive feat and showcases the increasing demand for products from these companies in the Japanese market. As a result, it is expected that these companies will continue to flourish and grow their businesses in the coming years.

## 8. Applicable import Tariff to different Supplying Countries

The average tariff for apparel products imported into Japan varies depending on the country of origin and the specific product. Please find the attached tariff schedule and tariff regime. Here are some examples of the average tariff rates for apparel products imported into Japan from various supplying countries:

- **China:** The average tariff rate for apparel products imported from China into Japan is around 10%.
- **Vietnam:** The average tariff rate for apparel products imported from Vietnam into Japan is around 5%.
- **Bangladesh:** The average tariff rate for apparel products imported from Bangladesh into Japan is around 3%.
- **India:** The average tariff rate for apparel products imported from India into Japan is around 6%.
- **Sri Lanka:** The average tariff rate for apparel products imported from Sri Lanka into Japan is around 9%.

It's worth noting that these are just rough estimates and the actual tariff rate may vary depending on the specific product and the terms of any trade agreements that are in place between Japan and the supplying country.

## 9. Differentiation of tariffs

The differentiation of tariffs for apparel imports from China, Vietnam, Bangladesh, India, and Sri Lanka into Japan can be due to a variety of reasons. Here are some possible factors:

1. **Country of Origin:** Tariffs can vary depending on the country of origin of the apparel products. For example, Japan may have different trade agreements or tariff arrangements with different countries, which can impact the tariff rate.
2. **Product Type:** Tariff rates can also vary depending on the specific product being imported. For example, different tariffs may be applied to different types of clothing, such as shirts, pants, or dresses.
3. **Competition:** Tariff rates can be used to protect domestic industries from foreign competition. If a particular country or product is seen as a threat to the domestic industry, higher tariffs may be imposed to make it less competitive in the market.

4. **Political Factors:** Tariff rates can also be influenced by political factors, such as bilateral relations between countries or trade negotiations.
5. **Labor Standards:** Tariff rates can also be influenced by the labor standards of the country of origin. If a country is seen as having poor labor standards, higher tariffs may be imposed as a way to encourage better working conditions.

If Sri Lanka plans to increase its apparel exports to Japan, there are several government and private organizations in Japan that it could collaborate with. Here are some examples:

1. **Japan External Trade Organization (JETRO):** JETRO is a government organization that promotes trade and investment between Japan and other countries. It offers various services and programs to support foreign companies looking to do business in Japan.
2. **Japan Textile Importers Association (JTIA):** JTIA is a private organization that represents textile importers in Japan. It provides information on the textile industry, promotes fair trade practices, and supports international trade.
3. **Japan Apparel Fashion Industry Council (JAFIC):** JAFIC is a private organization that represents the apparel and fashion industry in Japan. It provides support and services to member companies and promotes the development of the industry.
4. **Ministry of Economy, Trade and Industry (METI):** METI is a government ministry that is responsible for promoting economic growth and international trade. It offers various programs and services to support businesses looking to enter the Japanese market.
5. **Japan Fashion Week Organization:** Japan Fashion Week Organization is a private organization that organizes Tokyo Fashion Week, a biannual event showcasing Japanese fashion designers and brands. It provides a platform for designers and brands to showcase their work to international buyers and media.

## 10. Apparel Prices in Japan

The average price of a t-shirt in Japan can vary depending on various factors such as the brand, quality, style, and design. Generally, the price range for a basic t-shirt can range from around 1,000 to 5,000 yen (approximately \$9 to \$45 USD) at popular fast fashion retailers such as UNIQLO, H&M, and Zara.

For premium or designer t-shirts, the price can be much higher, ranging from 10,000 to 30,000 yen (approximately \$90 to \$270 USD) or more. It's important to note that these are just general price ranges and actual prices can vary based on many factors.

The markup for apparel products after CIF (Cost, Insurance and Freight) to Japan can vary depending on the type of product and the distribution channels. Generally, the markup can be broken down into the following components:

1. **Agent margin:** If a company uses an agent or distributor to sell their products in Japan, the agent will typically charge a commission for their services. This commission can vary depending on the agreement between the company and the agent, but it can range from 5% to 20% of the CIF value.
2. **Retailer margin:** Retailers in Japan will typically mark up the price of apparel products based on their own profit margins. This markup can vary depending on the type of product and the retailer, but it can range from 50% to 100% or more of the CIF value.
3. **Other costs:** Other costs that can contribute to the markup of apparel products in Japan include import taxes and duties, marketing and advertising expenses, and logistics and transportation costs.

## 11. International Trade Fairs

There are several trade fairs in Japan that Sri Lankan apparel manufacturers and exporters could participate in to promote their products. Here are a few examples:

1. **Fashion World Tokyo:** Fashion World Tokyo is a trade show that takes place twice a year in Tokyo. It showcases a wide range of fashion products, including apparel, accessories, and textiles.
2. **JFW International Fashion Fair:** The JFW International Fashion Fair is one of the largest fashion trade shows in Japan, attracting over 30,000 buyers and industry professionals each year. It showcases the latest trends in fashion and textiles.
3. **Textile Tokyo:** Textile Tokyo is a trade show that focuses on textiles, including fabrics, yarns, and fibers. It attracts buyers from a wide range of industries, including fashion, home decor, and automotive.
4. **International Fashion Fair (IFF):** The International Fashion Fair is a biannual event that takes place in Osaka. It showcases a wide range of fashion products, including apparel, shoes, and accessories.
5. **Japan Fashion Week:** Japan Fashion Week is a biannual event that takes place in Tokyo. It features runway shows and exhibitions from both established and up-and-coming Japanese fashion designers and brands.

These trade fairs provide an excellent opportunity for Sri Lankan apparel manufacturers and exporters to showcase their products, network with potential buyers and industry professionals, and stay up-to-date on the latest trends in the Japanese fashion industry.

## 12. Popular e-commerce platforms in Japan for apparel

1. **Rakuten:** Rakuten is one of Japan's largest e-commerce platforms and offers a wide range of products, including apparel. It has a large customer base and offers various features such as free shipping and cashback rewards.

2. **Zozotown:** Zozotown is a popular online fashion marketplace that specializes in Japanese fashion brands. It offers a large selection of apparel for men, women, and children and provides free shipping within Japan.
3. **Amazon Japan:** Amazon Japan is a popular e-commerce platform that offers a wide range of products, including apparel. It provides fast shipping and offers a variety of payment options.
4. **Uniqlo:** Uniqlo is a Japanese fashion brand that operates its own e-commerce platform. It offers a range of affordable and high-quality apparel for men, women, and children.
5. **Yahoo! Japan Shopping:** Yahoo! Japan Shopping is an online shopping mall that offers a variety of products, including apparel. It provides a user-friendly interface and offers various payment options.

These e-commerce platforms offer a convenient and accessible way for Sri Lankan apparel manufacturers to reach Japanese consumers directly. To access Sri Lankan apparel to e-commerce platforms in Japan, such as subscription-based services, the following steps can be taken:

1. **Research e-commerce platforms:** Identify e-commerce platforms that align with your target market and products. Conduct market research and understand the platform's target audience, pricing model, and subscription options.
2. **Contact the platform:** Reach out to the e-commerce platform's sales or business development team and express your interest in selling your products on their platform. Provide relevant information about your brand, products, pricing, and target audience.
3. **Submit product samples:** Some platforms may require you to submit product samples for review. Make sure to provide high-quality samples that showcase your product's features and quality.
4. **Negotiate terms:** Once your products have been approved, negotiate terms with the platform. This may include pricing, commission rates, shipping, and delivery options.
5. **Set up a storefront:** Set up a storefront on the platform and optimize it for conversions. This may include creating high-quality product images, descriptions, and optimizing product titles and tags for search engine optimization.
6. **Promote your products:** Once your storefront is live, promote your products using various marketing channels such as social media, email marketing, and search engine advertising.

To find relevant contacts for e-commerce platforms in Japan, you can search for business directories, attend trade shows and events, and reach out to industry associations and chambers of commerce. Additionally, you can hire a local agent or distributor who has experience in the Japanese market and can help you establish relationships with e-commerce platforms and other potential buyers.

The subscription fees for e-commerce platforms in Japan can vary depending on the platform and the type of subscription plan. Some platforms may charge a monthly fee, while others may charge

an annual fee. Additionally, some platforms may offer a free plan with limited features, while others may offer a premium plan with more features and benefits.

For example, Rakuten, one of Japan's largest e-commerce platforms, offers a basic subscription plan with no monthly fee, but charges a commission on sales. The commission rate varies depending on the product category and can range from 5% to 15% of the sales price.

Zozotown, another popular e-commerce platform in Japan, charges a monthly subscription fee for sellers. The fee ranges from 10,000 to 100,000 yen per month, depending on the seller's sales volume. In addition to the subscription fee, Zozotown charges a commission on sales, which ranges from 10% to 20% of the sales price.

It's important to research the subscription fees and commission rates of each platform before signing up to ensure that it aligns with your business model and profit margins. Additionally, consider the platform's target audience, features, and benefits to determine if it's the right fit for your brand and products.

### 13. Barriers to export into Japan

There are several barriers that Sri Lankan apparel manufacturers and exporters may face when entering the Japanese market. Here are a few examples:

1. **High tariffs and non-tariff barriers:** Japan imposes high tariffs on many apparel products, which can make Sri Lankan products more expensive and less competitive in the market. In addition, there are non-tariff barriers such as complex regulations, certification requirements, and labeling standards that can be difficult for foreign companies to navigate.
2. **Language and cultural differences:** Doing business in Japan requires a good understanding of the language and culture. Sri Lankan companies may need to invest in language training and cultural education to effectively communicate with Japanese partners and customers.
3. **Competition from established brands:** The Japanese market is highly competitive, with many established domestic and international brands already present. Sri Lankan companies may need to invest in marketing and branding efforts to differentiate themselves and gain visibility in the market.
4. **Limited distribution channels:** Distribution channels in Japan are often tightly controlled, with a few large retailers dominating the market. This can make it difficult for small and medium-sized foreign companies to access the market.
5. **Seasonal and fashion-driven market:** The Japanese market is highly seasonal and fashion-driven, with trends and styles changing rapidly. Sri Lankan companies may need to invest in research and development to keep up with changing market demands and preferences.



## 14. SME apparel importers associations in Japan

These associations represent the interests of small and medium-sized importers and provide support and services to help them succeed in the industry. Here are a few examples of small and medium-sized enterprise (SME) in Japan.

1. **Japan Apparel Importers Association (JAIA):** JAIA is a trade association that represents apparel importers in Japan. It provides information on the industry, promotes fair trade practices, and supports the interests of its members.
2. **Japan Textile Importers Association (JTIA):** JTIA is a private organization that represents textile importers in Japan. It provides information on the textile industry, promotes fair trade practices, and supports international trade.
3. **Tokyo Apparel Importers Club (TAIC):** TAIC is a non-profit organization that represents small and medium-sized apparel importers in the Tokyo area. It provides networking opportunities, business support services, and information on industry trends and regulations.
4. **Kansai Apparel Importers Association (KAIA):** KAIA is an association that represents small and medium-sized apparel importers in the Kansai region of Japan. It provides networking opportunities, information on industry trends and regulations, and support for members' businesses.

These associations provide valuable resources and support for SME apparel importers in Japan. They can also be useful partners for Sri Lankan apparel manufacturers and exporters looking to expand their reach in the Japanese market.

## 15. Thailand Strategies to increase Export to Japan

Thailand has adopted several strategies to gain market access to the Japanese apparel market, including:

1. **Participating in trade fairs:** Thai apparel manufacturers and exporters participate in various trade fairs and exhibitions in Japan to showcase their products and establish business contacts with Japanese buyers. Some of the popular trade fairs include the Tokyo International Gift Show, the Fashion World Tokyo, and the Japan International Fashion Fair.
2. **Collaborating with Japanese companies:** Thai apparel manufacturers collaborate with Japanese companies to create joint ventures or partnerships that allow them to access the Japanese market more effectively. These collaborations may involve product development, marketing, and distribution activities.
3. **Focusing on niche markets:** Thai apparel manufacturers focus on niche markets and specific product categories that are in demand in Japan. For example, some manufacturers

specialize in producing traditional Thai textiles, while others focus on eco-friendly and sustainable materials.

4. **Offering high-quality products:** Thai apparel manufacturers emphasize the quality and craftsmanship of their products, which is highly valued by Japanese consumers. They use high-quality materials, pay attention to details, and adhere to strict quality control standards to ensure that their products meet the expectations of Japanese buyers.
5. **Developing e-commerce platforms:** Thai apparel manufacturers are developing e-commerce platforms to reach Japanese consumers directly. This allows them to showcase their products, offer customized designs, and build relationships with Japanese customers.

Overall, Thailand's strategies to access the Japanese apparel market involve a combination of marketing, collaboration, and quality-focused approaches.

## 16. Conclusion on Way forward

There are several ways that Sri Lankan apparel manufacturers and exporters can overcome the barriers to entering the Japanese market. Here are some possible strategies:

1. **Work with experienced local partners:** Local partners, such as distributors, agents, and consultants, can provide valuable insights into the Japanese market, help navigate regulatory requirements and cultural differences, and provide access to distribution channels and customer networks. Sri Lankan companies can seek out partnerships with established local companies with a proven track record in the apparel industry.
2. **Focus on product differentiation and quality:** Sri Lankan companies can differentiate themselves from competitors by offering high-quality products that meet the specific demands and preferences of Japanese customers. By investing in research and development and staying on top of fashion trends, Sri Lankan companies can stand out in the market and build a strong brand reputation.
3. **Develop relationships with Japanese buyers and retailers:** Sri Lankan companies can attend trade shows, participate in business matchmaking events, and visit potential customers in Japan to establish relationships with Japanese buyers and retailers. This can help build trust and credibility, and may lead to long-term partnerships and repeat business.
4. **Seek support from trade associations and government agencies:** Sri Lankan companies can seek out support from trade associations, such as the Japan External Trade Organization (JETRO), and government agencies, such as the Sri Lanka Export Development Board (EDB), to access market intelligence, network with potential partners, and navigate regulatory requirements.
5. **Invest in language and cultural training:** Sri Lankan companies can invest in language and cultural training to improve communication and build relationships with Japanese partners and customers. This can help overcome language and cultural barriers and build trust and credibility in the market.

By adopting these strategies and working to overcome the barriers to entering the Japanese market, Sri Lankan apparel manufacturers and exporters can succeed in the market and build a strong presence in Japan.

To supply Sri Lankan apparel to international brands available in Japan, one possible strategy is to identify and work with agents or distributors who have existing relationships with these brands. These agents may be located in Japan or other countries and can help facilitate connections and negotiations between Sri Lankan apparel manufacturers and international brands.

Another approach could be to attend trade shows and industry events in Japan, where Sri Lankan apparel manufacturers can showcase their products and network with potential buyers and partners. This can help build awareness and credibility for Sri Lankan apparel in the Japanese market, and potentially lead to new business opportunities.

Regarding specific international brands such as Victoria's Secret, it would be important to research and understand their sourcing and procurement processes, as well as any specific requirements or standards they may have for their suppliers. This can help inform a targeted approach for reaching out to these brands and pitching Sri Lankan apparel as a potential supplier.

Overall, building relationships and establishing a strong reputation for quality and reliability in the Japanese market will be key for Sri Lankan apparel manufacturers looking to supply to international brands.

While Sri Lanka is a developing country, it does not qualify for the same special tariff program as India. This is because Japan's Generalized System of Preferences (GSP) program has different eligibility criteria for different countries. The criteria for determining eligibility for the GSP program includes factors such as a country's level of economic development, trade volume, and competitiveness in specific product categories.

In the case of Sri Lanka, it may not have met the eligibility criteria for the GSP program due to factors such as its lower trade volume with Japan or its competitiveness in specific product categories. However, Sri Lanka does have other trade agreements and partnerships with Japan, such as the Japan-Sri Lanka Economic Partnership Agreement (JSEPA), which provides certain tariff reductions for Sri Lankan exports to Japan.

Overall, Japan's trade policies and agreements are based on several factors, and the eligibility for special tariff programs is determined based on the specific criteria set forth by each program. It is true that Japan's import tariffs are generally based on the Most Favored Nation (MFN) principle, which means that the same tariff rates apply to all countries, with some exceptions for preferential tariff programs such as the Generalized System of Preferences (GSP) mentioned earlier.

## 17. Annexures

### 17.1. Top Apparel importers to Japan

Value in USD Mn

<b>APPAREL IMPORTS TO JAPAN -2022</b>				
<b>Code</b>		<b>Top Importers for Selected Products (Value &gt; US \$ 1 Mn)</b>		
	<b>Total Imp. Value</b>	<b>Top 3 Supply Countries</b>	<b>Top 3 Import Value</b>	<b>Share of Supply Countries (%)</b>
6101 Men's overcoats	129	China Viet Nam Myanmar	65 29 14	50.36 22.47 10.85
6102 Women's overcoats	176	China Myanmar Viet Nam	106 24 21	60.38 13.67 11.97
6103 Men's suits	647	China Viet Nam Cambodia	330 106 63	51.02 16.39 9.74
6104 Women's suits	1366	China Viet Nam Cambodia	812 205 112	59.46 15.02 8.21
6105 Men's shirts	404	China Viet Nam Myanmar	199 113 29	49.26 27.97 7.18
6106 Women's shirts	511	China Viet Nam Bangladesh	333 64 42	65.15 12.53 8.22
6107 Men's undergarments	464	China Viet Nam Cambodia	272 71 45	58.63 15.31 9.7
6108 Women's undergarments	615	China Viet Nam Thailand	424 61 51	69 9.93 8.3
6109 T-shirts	2102	China Viet Nam Bangladesh	937 442 217	44.57 21.03 10.33

6110 Sweaters, pullovers, sweatshirts, etc	4696	China Viet Nam Bangladesh	2749 824 252	58.54 17.55 5.37
6111 Babies' garments and clothing accessories	205	China Bangladesh Cambodia	145 16 16	70.74 7.81 7.81
6112 Active wear	70	China Cambodia Viet Nam	50 9 7	71.7 12.91 10.04
6113 Garments, knitted or crocheted, rubberised or impregnated, coated or covered with plastics ...	36	China Thailand Viet Nam	19 5 4	52.83 13.91 11.13
6114 Other garments made up of knitted fabrics	141	China Viet Nam Indonesia	79 20 18	55.85 14.14 12.73
6115 Panty hose, tights, stockings, socks and other hosiery	933	China Viet Nam Thailand	674 96 88	72.23 10.29 9.43
6116 Gloves, mittens and mitts	452	China Viet Nam Malaysia	270 60 48	59.73 13.28 10.62
6117 Other clothing accessories, knitted or crocheted	117	China Viet Nam Italy	92 7 6	78.95 6.01 5.15
6201 Men's overcoats, not knit	1045	China Viet Nam Myanmar	488 197 102	46.72 18.86 9.77
6202 Womens overcoats, not knit	1223	China Viet Nam Myanmar	694 140 109	56.73 11.45 8.91
6203 Men's suits, not knit	2127	China Viet Nam Bangladesh	791 402 295	37.19 18.9 13.87
6204 Women's suits, not knit	2978	China Viet Nam Cambodia	1757 254 253	59 8.53 8.5
6205 Men's shirts, not knit	670	China Viet Nam Bangladesh	228 144 67	34.04 21.5 10.01

6206 Women's shirts, not knit	885	China Viet Nam India	569 77 43	64.32 8.71 4.87
6207 Mens or boys singlets and other vests, underpants, briefs, nightshirts, pyjamas, bathrobes, ...	118	China Cambodia Bangladesh	81 16 8	68.93 13.62 6.81
6208 Women's undergarments, not knit	118	China Cambodia Viet Nam	73 20 9	61.88 16.96 7.63
6209 Babies' garments, not knit	43	China Viet Nam Bangladesh	33 3 3	76.03 6.92 6.92
6210 Garments made of textile felts and nonwoven fabric	614	China Viet Nam Myanmar	293 209 52	47.73 34.05 8.47
6211 Active wear, not knit	1023	China Viet Nam Myanmar	514 301 73	50.27 29.44 7.14
6212 Brassieres and parts thereof, not knit	852	China Viet Nam Indonesia	663 127 22	77.85 14.92 2.59
6213 Handkerchiefs, of which no side exceeds 60 cm (excluding knitted or crocheted)	15	China Italy Malaysia	9 2 2	58.9 13.09 13.09
6214 Shawls, scarves, etc, not knit	196	China Italy France	67 65 29	34.21 33.19 14.81
6215 Ties, bow ties and cravats of textile materials (excluding knitted or crocheted)	51	China Italy France	24 22 5	47.15 43.22 9.83
6216 Gloves, mittens and mitts, of all types of textile materials (excluding knitted or crocheted ...)	60	China Viet Nam Indonesia	41 9 3	67.79 14.88 4.96
6217 Clothing accessories not elsewhere specified, not knit	41	China Viet Nam Italy	33 3 2	80.24 7.3 4.87

Source: *ICT Trade Map*

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**ENDs**