MAKINOHARA

Create packages for our new powder teas that bring to life a classic moment in a contemporary way



Website www.rokucha.co.jp Makinohara Co., Ltd. 2-4-24, Miya-Machi, Mito City, Ibaraki 310-0015, Japan

Makinohara

<u>In Brief</u>

We would like you to create an original and inventive package design for a new instant green tea product. The package should make the product more attractive in the crowded Japanese tea market, particularly with the new generation of young customers.

History from foundation to present: the founder's thoughts

I, Fumio Gojo got married in 1969, and was employed in a company at the time. From a long time before though, I had a strong desire to possess a "castle" of my own. I was thirty two years old and I had been working for nine years when I took a first step in that direction and handed in my resignation letter. Then I wondered about where to start a business. Between my birthplace Shizuoka City and Mito City, my wife's hometown, I finally chose Mito to establish my company but I had not yet made up my mind on the kind of business I wished to start. After many considerations, I thought: "After all, isn't Shizuoka, my birthplace, the home of the best tea in Japan?", and I decided to become a tea dealer. First, I bought a small van and named my business after the Maki-no-Hara plateau in Shizuoka. That is how my new life started as a tea dealer.

I didn't have any experience and I didn't know how to sell. I struggled for the next ten years, being rebuked and encouraged in turn, or praised by my customers. After that, over the last twenty, thirty, thirty five years, business has steadily progressed as we have continued to develop original tea blends praised by so many of our customers. Unfortunately, sales have steadily decreased since 2011, the year harmful rumors of nuclear contamination have spread following the great Eastern Japan earthquake. Moreover, the disinterest of the youth for tea has not ceased to grow despite all measures taken to curve the tendency. But Japanese tea is now being reevaluated for its benefits on health. I wish more and more people appreciate the taste of Japanese tea.

History of the company

October 1973	Company founded
February 1984	Makinohara Ltd. registered, main store opened
September 1992	Makinohara, Mito sales office opened
March 1998	Makinohara, Migawa store opened
October 1999	Makinohara, route 50 bypass store opened
March 2007	Makinohara, Hitachi store opened
July 2007	Makinohara Ltd. reorganized
April 2008	Makinohara, Mito south station store opened
May 2012	Route 50 bypass store closed
April 2017	Makinohara, Katsuta store opened
<u>Youtube</u>	

https://www.youtube.com/user/makinoharamito

<u>Mito City</u>

http://www.city.mito.lg.jp/001433/003463/p004128_d/fil/TourismGuide-Eng.pdf



interior of the store



Customers can drink tea in the store



Tea leaves traditionally kept in paulownia boxes to keep their freshness



Staff



Management team (from left to right: the managing director, the president and the executive director)

Background: internal and external situation, market information and competitors

Sales forecast for the next fiscal year and beyond (actual forecast, without taking into consideration the UK design effect): 252,639,000 yen

Store-based sales, mail-order sales, external sales (delivery to governmental agencies or companies), and orders from undertakers (funeral ceremonial tea) are the main sales outlets and methods. Over-the-counter sales account for 48% of the total, funeral wholesale 46%, external sales 4% and mail order sales 2% respectively.

Prices for a 100g, 11 x 24 cm bag of tea leaves ranges from 800 yen to 1,200 yen.

Why tea is sold mainly in 100g tea bag units

Tea can be considered a luxury good. Out of a hundred people, forty will dislike a given tea while the other sixty will drink that tea only. That is why we have been creating distinctive teas with distinct differences. Teas can be broadly divided into two groups. A slow, gentle fire gives the tea a sweet, rich finish while a strong fire produces an impactful, fragrant tea. We prepare about twenty different types of tea among which our customers can select their favorite.

Makinohara is one of the most highly regarded green teas in Japan, and is particularly noted for its superior quality and its smooth taste.

The Creative Challenge

We would like you to create the packaging design for three different instant type powder tea products - green tea, light green tea and brown tea. (See the attached photos for the existing products)

We are open to all ideas. We are seeking original and surprising designs for a simple box with an outer wrapper. The product will be available on our online e-commerce site or on the shelves of our six stores in Ibaraki, Japan. The Japanese tea market is a crowded one. Many iconic and established Japanese tea brands vie for attention. Your designs should play a part in helping us stand out.

Creative Considerations

Our company's strengths and weaknesses

Our strength is that we are committed to our blends of tea, to make teas with distinctive tastes. Our weakness is that, due to the distinctive flavours of our products, they are not favoured by everyone. From a marketing point of view, our refusal to compromise on the quality of our products is somewhat detrimental to our business. Indeed, we are not a cash-rich company and we cannot invest in design.

The power of our brand

In the Mito area, we enjoy the overwhelming support of women aged fifty to ninety who are faithful to the Makinohara brand. On the other hand, we are unknown to young people in their teens and twenties. Our brand is weak if not almost inexistent in that age group.

Many people with high incomes drive their luxury cars (Benz and Aston Martin etc.) to our shops and easily spend five thousand or six thousand yen on tea and pottery. Meanwhile, pensioners will purchase two months' worth of tea at once on our monthly special sale day (discounts on all items). A lot of people look forward to chatting with us. Many grandmothers visit our shop by taxi. Others ask their grandchildren to drive them (sometimes over fifty kilometers) to our shops to buy tea. Some take the trouble of riding an hour on a train despite the fact that tea is available in all supermarkets and convenience stores. We can feel the power of our brand.

We would like to change the design of the following product packages

Three types of powder tea, which are not selling well in spite of their great taste.



Instant Green Tea



Instant Light Green Tea



Instant Brown Tea

Why we want to change the design

1. We have developed a powdery tea that is easy to drink at home. However, compared with products such as Starbucks VIA, our packaging design is inferior and out of style (outmoded package, no individual single serving bags, not convenient). Therefore, we would like to introduce a new design that could rival that of Starbucks VIA: exterior and interior, individual packages for each serving, promoting convenience. The new design should appeal directly to younger generations, particularly teens and those in their twenties.

Estimated selling price 1,000 ~ 1,200 yen (\pm 7.5) \approx \pm 9.5) for 12 sticks, 12 servings. Japanese price reference: Starbucks VIA, 12 pieces at 1,200 yen (\pm \pm 9.5).



2. In recent years, the teapot has disappeared from the household. The habit of pouring tea from a teapot is being lost, and tea shops are struggling. For this reason, we are now promoting powder tea. It is easy to prepare and it produces no dregs. It dissolves instantly in water, hot or cold, and the serving can be easily adjusted to suit all tastes. Rich in catechin, Japanese tea is healthy. It is also delicious and easy to prepare. Coffee is the big trend these days and we would like Japanese tea to regain its share of the market. In the same way that coffee and fashion go hand in hand, we would like to create a similar tie for our powdered teas. It is with this objective in mind that we would like to hold various marketing events in the future.

Target Customers for our new powder tea products

Young female office workers in their twenties and thirties who value convenience (powder tea can be prepared quickly and easily during working hours simply by adding hot water). Annual income: four million yen Our traditional target consumers are women, housewives and office workers within a wide age range from thirties to eighties. They live in the vicinity of Mito City, and they have an annual income ranging from four million to ten million yen. We would like young people to buy our tea, but nowadays tea is available everywhere in plastic bottles (PET bottles), Starbucks sells instant tea latte and other fashionable drink products, and the popular local coffee chain SAZA Coffee (<u>http://www.saza.co.jp/</u>) offers coffee related products. All this helps to push up the age of the average tea consumer. The older generation of tea drinkers is disappearing and being replaced by a generation of people who drink coffee, not traditional tea. Furthermore, as a phenomenon peculiar to Japan, the increase in nuclear family households is leading to the loss of the transmission from one generation to the next of the traditional Japanese green tea culture.

Mandatory design requirements

Designs must be creative, innovative and adaptable to different formats.