



# “ KANSEI ” Initiative

- Suggestion of the fourth value axis -

“KANSEI” is a high-order function of the brain, including inspiration, intuition, pleasure and pain, taste, curiosity, aesthetics, emotion, sensitivity, attachment and creativity.

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# 1

# Why Use the “KANSEI Initiative” Now?

## 1. Amidst Structural Changes Threatening Japan’s Competitiveness

Japanese industries are currently experiencing structural changes such as declining quantitative demand associated with a declining population and competition from neighboring countries. It is, therefore, essential to return to the fundamental question, namely “What is a good product or service?”, to identify what’s required for differentiation and innovation in order to help industries maintain and improve their competitiveness.

## 2. What Is A “Good Product or Service”?

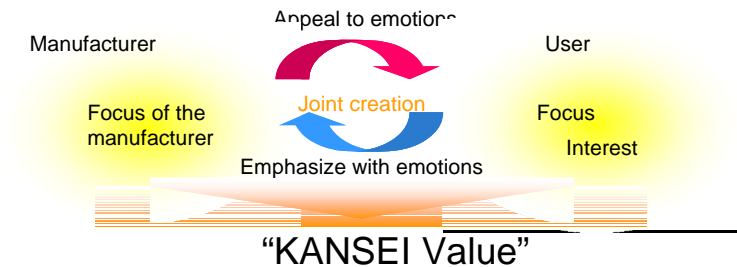
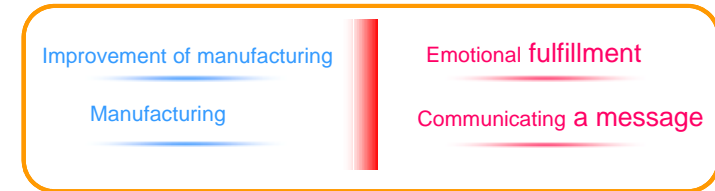
A product or service in which the focus, taste, playfulness, aesthetic feeling, concept, etc. of the manufacturer is realized and underpinned by technology, design, credibility, function, cost, etc. A product or service which arouses the emotions and empathy of ordinary citizens by visualizing and communicating its story or message.

## 3. Using Emotion, Empathy and Sympathetic Resonance to Create Value

A special type of economic value will be created when focus and spirit derived from the KANSEI of a manufacturer come alive and begin to speak to ordinary citizens, or when a story is communicated and appeals to the KANSEI of ordinary citizens and arouses emotions, empathy or sympathetic resonance.

This initiative proposes a value axis which aims to arouse emotions and empathy in manufacturing and services.

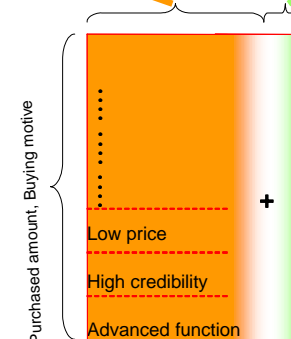
KANSEI Value – Using KANSEI to Create Economic Value



$$\text{KANSEI Value} = + \text{ value}$$

Breakdown of motive for product selection and the types of compensation required by the manufacturer for its product or service

e.g., Function, quality, credibility



Elements that appeal to KANSEI

“+ Value” = “KANSEI Value”  
KANSEI Value makes a large impact on the first impression of the customer. Above all else, KANSEI Value is a key to understanding buying motives

As emotional fulfillment is increasingly required, KANSEI Value becomes increasingly important.

It is important for a manufacturer to reaffirm belief and “communicate a message” to the general public through a product or service.

## 2

# What Is KANSEI Value?

## 1. Definition of KANSEI Value

“KANSEI Value” is a special type of value that is actualized when a product or service appeals to the KANSEI of ordinary citizens and arouses their emotions and empathy.

When this type of value is actualized, an “+ ” will be offered to members of the public in addition to existing elements such as function, credibility and cost, thereby compensating the manufacturer for its time and effort. In addition, this will allow a manufacturer to develop a stable customer base and result in ordinary citizens developing an attachment to the product or service.

The Japanese assign value to a product or service when they see the amount of time and effort that the manufacturer has put in or when they see the focus and empathize with the manufacturer.

If these things can be visualized successfully and used to arouse the empathy of ordinary citizens, intangible elements such as an original recipe for a sauce, manufacturing know-how, a message from the manufacturer, or the manufacturer’s consideration for users, all of which rarely come to the surface otherwise, will then have an economic value.

## 2. A Broad Range of Industries Have KANSEI Value Potential

The concept of KANSEI Value is important not only in finished products but also in industrial products as a whole, ranging from upstream goods such as materials and components to downstream goods such as finished products. It is also a universally important keyword when looking at a new way of manufacturing and providing a service, including agricultural products, distribution, service and content.



Stainless steel beer mug produced in Tsubame City: traditional craftsmanship and history appeal to ordinary citizens.



HiHill Material Plate: a line of materials and skills that stimulates the KANSEI of manufacturers.

# 3

## KANSEI Value as A Driver of Innovation and Growth

### 1. Good Products Do Not Necessarily Guarantee Success

Many companies have not been compensated for their superior technological capability and craftsmanship because they have encountered difficulties in communicating the value of their technological capability and craftsmanship. Companies in distribution and sales must also identify products with high KANSEI Value potential desired by ordinary citizens, make efforts to stimulate demand for such products, and communicate a message from the manufacturers.

### 2. KANSEI Value Stimulates Demand

The availability of a growing number of products and services with high “KANSEI Value” will contribute to the wealth of the spirit. In a mature economy, manufacturing and service centered on the concept of KANSEI Value will stimulate new demand.

### 3. The Virtuous Cycle for KANSEI Value Creation

To realize KANSEI Value, it is important for manufacturers and users to interact with each other and engage in a joint activity or “Joint Creation”. A chain of “Empathy” and “Joint Creation” generates a new business model and leads the economy as a driver of new innovation and growth. In addition, KANSEI Value Creation offers the possibility of unearthing potential demands at both regional and national levels, and spreading such demands across global markets.



“Mayu” is an iron teapot that appeals to people’s KANSEI and has already been accepted in global markets



The functionality of “AQUOS” is designed to appeal to people’s KANSEI

# 4

## Japan's Strengths and Weaknesses in Creating KANSEI Value

### 1. Japanese Culture Integrates Different Cultures

The Japanese are good at using a “methodology” to create a completely new, unique value by (1) “taking parts of different cultures that are relevant to their lives” and (2) making drastic changes to existing functions and decoration.

### 2. Assets of Japanese Industries Underpinned by KANSEI

A sensuous finish and processing features such as texture and touch, using traditional natural materials and techniques to bring out their positive qualities, consideration for the user, and focus on details are representative of the delicate KANSEI of the Japanese. These are assets for Japanese companies to draw on.

### 3. “KANSEI Value × Technological Capability” as Two Wheels of Innovation

Integration of KANSEI Value and Technological Capability provide the basis for both a new way of manufacturing and innovation of services. The overall value will be halved if one of these two elements is missing.

### 4. Social Reproduction of KANSEI

It is necessary to promote the social reproduction of KANSEI in order to help ordinary citizens increase KANSEI and appreciate the value of service.



“WORLD MUJI” fascinates people around the world because of its lean manufacturing



“CUORE ed AMORE” products appeal to the KANSEI of ordinary people because of the use of nanotechnology and traditional Japanese colors

# 5

## KANSEI Value Creation Methodology

### 1. Common Characteristics of KANSEI Value Creation Companies

Common characteristics of companies creating a product or service with high KANSEI Value:

Top management is aware of the importance of KANSEI Value. Companies have established a sense of value, corporate culture and business climate.

Companies are conscious of the mind-set and KANSEI Value of ordinary citizens, right from the product development stage. They employ a federated organizational structure and decision-making system.

The job site has the capability to bring out the individual characteristics (KANSEI and creativity) of employees.

### 2. Key to KANSEI Value Creation at SMEs

Characteristics of SMEs needed to Realize KANSEI Value Creation:

Collaborate with superior outside designers and develop internal talent.

Use an interface with ordinary citizens.

Devise means of selling and demonstrating products and services.

### 3. Scientific Analysis and Utilization of KANSEI

To further advance KANSEI Value Creation efforts, it is necessary to scientifically analyze the comforts and emotions that ordinary citizens experience in daily life, and utilize the outcomes to develop new products and services. It is also important to ensure the continuation of the above development cycle.



“LUXSE” stimulates the five senses and creates an ideal atmosphere in office spaces



“Animal Rubber Bands” - too cute to throw away

# 6

## Future Business Models Using KANSEI Value

### 1. Joint Creation across a Value Chain to Deepen KANSEI Value

KANSEI Value Creation can be considered within the framework of “empathy with ordinary citizens”, as well as that of the value chain, ranging from upstream items such as materials and members, including business-to-business, to downstream end products. KANSEI Value will be further enhanced by making continuous efforts to “communicate a message”.

### 2. The Use of Joint Creation to Develop Attachment and Increase KANSEI Value

The effects of Joint Creation in realizing KANSEI Value will not be just temporary. The KANSEI Value of a product will increase as the user develops a deep affection for the product and continues to use it. Users and manufacturers exchange KANSEI and enhance their mutual satisfaction through maintenance, repair or repeat purchase, thereby further increasing the KANSEI Value.

### 3. Creation of a Place for Joint Creation

A place where ordinary citizens and a variety of specialists such as engineers, creators and business people can meet is essential for the development of a future business model based on KANSEI Value.

As well as a place to meet, a framework for manufacturers and users to exchange KANSEI will be created to support and accelerate further KANSEI Value Creation.



“Kaihara” took the world by storm, using advanced technology to reproduce Kasuri indigo dyeing.



“Table of 100 Years” jointly created by manufacturers of earthenware, lacquer, fabric and glass.

# 7

## The Realization of Manufacturing and Services with High KANSEI Value

### **1. Support for “KANSEI Value Creation” and the Development of a Business Environment**

Support for regional SMEs that aim to manufacture a product with high KANSEI Value includes matching them up with a producer or conceptualizer to work with, development of new products, and cultivation of the market (the interaction of “creation”, “craftsmanship” and “commerce”)

Establishment of a “Material Bank”, “Finishing Technology Bank”, “Designer Bank”, consisting of a wide range of members, materials and craftsmanship

Promotion of design and content utilization, and enhanced protection of intellectual property

### **2. Promotion of Management Methodology and Ergonomic Study for the Realization of KANSEI Value**

#### **Creation**

Promotion of best practice study, curriculum design and a creative office

Development of techniques to measure KANSEI, and study of the “life environment” to allow the manifestation of rich] KANSEI

### **3. Scouting and Development of Young Talent to Create “KANSEI Value”**

Creation of courses at art and engineering colleges and at the MBA and MOT level, and establishment of a graduate professional school

Implementation of competitions to recruit young talent, and promotion of personnel exchanges

### **4. Creation of a National Movement for “KANSEI Value Creation” and its Transmission at Home and Abroad**

Establishment of the “KANSEI Value Creation Forum” (provisional name) by bringing together concerned parties from industry, academia and government, and adoption of the “KANSEI Value Creation Year” (provisional name)

Holding the “KANSEI Value Creation Fair” (provisional name) under the theme of mixture of KANSEI and technology, and transmission of the concept of Japan’s KANSEI Value both at home and abroad, in collaboration with various exhibitions such as Japan Fashion Week in Tokyo, the Good Design Award, the Japan International Content Festival, and the MONODZUKURI Exhibition

### **5. Promotion of Education to Foster KANSEI, Culture and Art, and the Reinforcement of Cultural Power at both Regional and Municipal Levels**

Promotion of model KANSEI education projects and KANSEI Value creation activities at the regional level, and establishment of awards.