



A Look at the Dating and Marriage Services Market in Japan

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Summary

The declining rate of marriage has prompted both the public and private sectors of Japan to fuel dating and marriage services. The Minister of State for Measures to Prevent Declining Birthrate, is promoting marriage by setting up workshops for Q&A sessions, and has also labelled any day with a 0 as “Love Day”.¹ Popular television shows, such as Mote Mote 99 (roughly translated as “Super Popular 99”) will select communities with disproportionate male/female ratios, advertise eligible bachelors of the locality on television, and bus in groups of eligible marriage candidates for large scale marriage oriented blind date events. The private sector has seen a sharp increase in marriage services through the use of the word “kon-katsu,” which roughly means “marriage hunting.” There are many kon-katsu events, and agencies that sponsor such events for those looking to get married.

The differences in the culture of dating by Western and Japanese values are reflected in the services currently offered in Japan. In Japan, the end goal is marriage, and most do not invest money or time for casual dating. Therefore, dating services center around finding financially stable, and educated long-term partners. There is no notion of spending money “for fun” or to “meet people.”

Out of a total population of 41.6 million people between the ages of 20 and 44, about 18 million or 43.9% were single in 2013.² Most of these singles do not know where to meet other single people, thus the marriage service market has a high potential for growth, especially in the online market as can be inferred by the growing Social Networking Services (SNS) usage rate for almost all age groups. The validity of Internet/app dating and marriage services is a concern for participants in the market due to pre-existing Internet sites/apps that has associations with fraud. U.S. firms may flourish if they: have the flexibility to target multiple age groups, be aware to distinguish themselves from pre-existing Japanese internet-operated services, and keep in mind cultural values on dating and marriages when entering the Japanese dating and marriage services market.

*Unless otherwise noted, the exchange rate is calculated at \$1 = 105.74 yen as published by the Federal Reserve System Bank of New York in 2014.

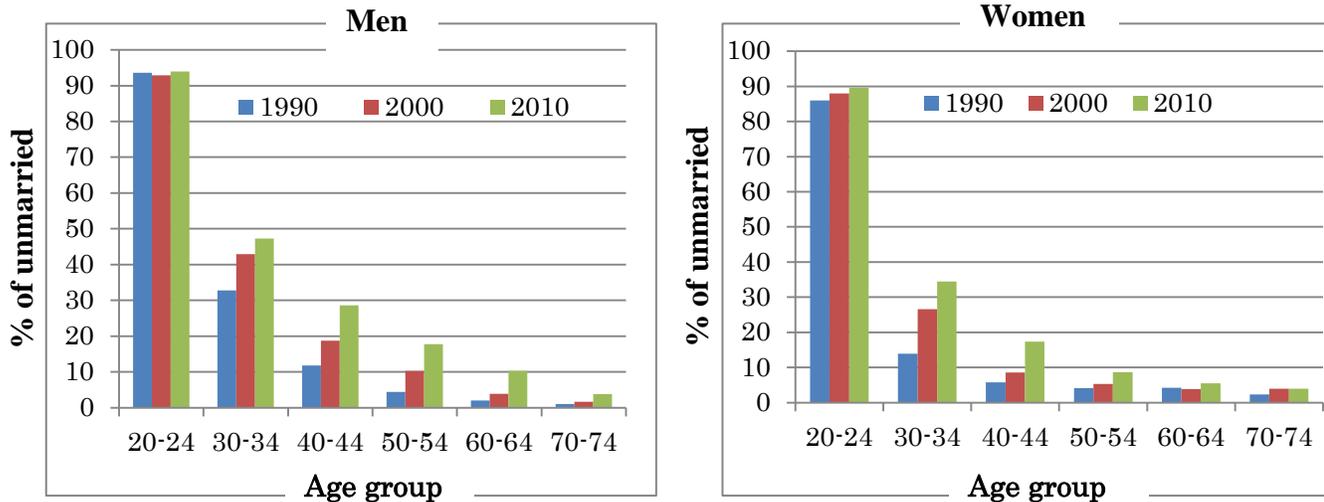
¹ <http://www.wsj.com/articles/japans-low-marriage-rate-concerns-minister-1405669862>

² <http://www.e-stat.go.jp/SG1/estat/List.do?lid=000001118081>

Market Demand

In 2010, 31.9% of the male population (53.2 million people) and 23.3% of the female population (57.1 million) were single. The unmarried rate of both men and women has been increasing in each age group as seen in the graph below.

Comparison of Number of Unmarried Men and Women



Market Size

According to the Ministry of Economy, Trade and Industry, the marriage service industry was worth 50 billion yen or \$431.0 million (\$1=116yen, as of 2006) in 2006. At the time, the number of estimated users was 600,000 people. In a more recent study, about 6 million singles were interested in the services but did not participate in them due to social stigmatization about having to rely on these services to get married since marriage is a primal part of adulthood in Japan.

A trend “kon-katsu” or “marriage hunting” has become a dominant portion of the marriage service industry, and participants are investing heavily. Users who actively participate in marriage services spend more than 200,000 yen or \$1891 annually on maintaining their membership which includes basic monthly maintenance fees, party attendance fees, and monthly notifications from the company with a list of potential partners.

Statistics and Background Information

According to the Ministry of Health, Labor and Welfare, the average age of first marriages in 2012 was 30.8 years old for men, and 29.2 years old for women. Compared to the data from 1980, the average ages have increased almost 4 full years for both sexes. In Japan, women used to be compared to a Christmas cake with the age of 24 or 25 being most desirable for marriage. Since no one would eat a Christmas cake after December 26th, a woman was considered to be beyond her prime at that point. Recently, the prime age has been adjusted with women now being compared to New Year’s Eve noodles with 31 being the new age to get married by.

The increase in the age of marriage, and the decrease in the rate of marriage does not imply that population is uninterested in marriage: the MHLW survey showed that 55.1% of the male population and 56.1% of the female population wished to get married before 30.4 years old and

28.4 years old respectively. However, a survey showed that 61.4% of single men aged 18-34 and 49% of women in the same age range do not have a lover. 30.2% of single men in their 20s never had a girlfriend and less than 30% of single women in their 20s also never had a boyfriend.³ Although the percentage of women who never had a boyfriend decreases in their 30s, it stayed the same for men in their 30s.

There are four reasons for the declining marriage rate. First of all, long hours during the first years in the workforce prevent the younger generation from meeting potential partners as nights and weekends are often spent at work. In an article on *The Week Magazine*, many employees are said to work more than 50 hours a week.⁴ Indeed, in a survey by MHLW, the younger generation (18~24 years old) gave career prioritization as their main answer for not choosing to marry. Second, as those employees continue to dedicate their time to their careers, they slowly start to feel less comfortable with the opposite sex. The same survey showed that 25~34 year olds felt that they could not find the right person because they did not know how to interact with the opposite sex. In 2010, a survey by MHLW showed that 62.2% of men and 51.6% of the female population between the ages of 18 and 34 years old had neither a partner nor a friend of the opposite sex.

Furthermore, arranged marriages were the norm until the 1970s. Marriage was a social duty to start a family, but it was arranged by parents so singles did not have to spend time looking for partners or learn how to interact with the opposite sex. Nowadays, people still have the obligation to start a family but they now have to find a partner on their own, as love-based marriage becomes the new norm.

Additionally, strong gender roles imply women to stay at home while the men work. Although women are receiving a higher level of education and more are entering the workforce, the men still have the notion that they are obligated to focus on their careers. It is said that on average, a married man commits an hour a day for household chores and child care as opposed to three in the U.S. This makes it difficult for the woman to balance her career and child care, thus she may feel compelled to quit her job upon marriage. On the contrary, this may cause her to delay marriage as she opts to focus on her career. Also, the stagnant rate of single men even as they age, as opposed to the decreasing rate of single women from their 20s into their 30s, reflect the men's attitude about a career-oriented life rather than balancing their private lives and work.⁵

Therefore, the current dating and marriage service market heavily invests in counseling and providing personal support for the clients, as seen in the services offered by the major players in the market. SNS-only-run dating applications most often do not offer these one-on-one services, thereby providing a reason for the slow growth of SNS dating applications in a country where almost 50% of the general population uses SNS.⁶

The current marriage service market serves two needs for two different targets: the younger generation (18~24 years old) who do not have the time to leisurely date, and the older generation (25~34 years old) who are uncomfortable with the opposite sex.

³ <http://www.japancrush.com/2013/stories/30-of-single-japanese-men-have-never-dated-a-woman.html>

⁴ <http://theweek.com/articles/453219/everything-need-know-about-japans-population-crisis>

⁵ *Ibid.*

⁶ <http://ictr.co.jp/report/20140821000067.html>

Trends

In a culture where arranged marriages were more common than love marriages only 30 years ago, “marriage hunting” or “kon-katsu” has become a dating trend in Japan in the last decade. One of “kon-katsu”’s features is the “go-kon”. These are group blind dates that first started amongst college students, but have now spread to all age groups. It is usually a 2-on-2 dinner party for about 2 to 3 hours at a restaurant. The planner would play match-maker by inviting friends and acquaintances who they believe would get along. The goal is to have an equal numbers of the opposite sex, and to bring eligible males and females. Sometimes, “go-kon” has themes. Since the initial purpose was for females to meet eligible bachelors, the themes are usually based on the job categories of the men who will be attending. Popular themes include “meeting public servants”, “meeting bankers”, “meeting advertising managers”, and “meeting those employed by trading companies.”

The dating and marriage services currently offer to set up these blind dates for the participants, matching them based on similar hobbies or standards. This has started other trends including the “machi-kon” or “town party” in which as many as 100 participants restaurant-hop in one part of town for a set fee instead of having to pay at every restaurant. The concept of “machi-kon” became so popular that in 2012, the word itself was awarded the “Popular Word of the Year”. Due to the larger number of participants, they most often attend these events to make friends rather than to find a serious partner. On the other hand, the market has also started “omiai” parties, traditionally meaning “arranged marriages”, for those looking to settle down. These are 1-on-1 dinner dates in which participants can choose who they want to dine with based on online profiles provided by the company.

Many of these parties have a theme so that participants can choose which party to attend based on mutual interests or backgrounds: some are for to people who have lived abroad for many years, and others to just vegetarians. Some also restrict on salary range and careers, especially for men such as lawyer-only men or doctor-only men. Certain companies will have events where females are admitted based on looks, and men based on proof of income. The so-called desired marriage worthy salary for men is above 60,000 USD. As the average salary in Japan is 41,800 USD, this is considered to be the amount necessary for a relatively decent life.⁷ Finding a male partner who can support them is of utmost importance, and salary and financial stability trump personality, looks, and even common interests.

How Do People Meet

In a Rakuten Wedding 2014 survey held amongst 1,215 participants between the ages 20~39 to ask where people met their spouses, 32.8% of respondents responded with work, 17.9% met through a mutual friend, 13.8% through school, 11.1% through go-kon, and 3.2% through SNS.

Point-Systems

It is common in Japan to utilize a point-system, in which a consumer can exchange the amount of money used for that company’s currency of points, and those points can be used for exclusive goods or discounts for future purchases. In this market, the points are an incentive for participants to take part in more future parties by giving them discounts based on the points they claimed from past parties.

⁷ <http://www.nta.go.jp/kohyo/press/press/2014/minkan/>

Considering the fact that the wedding and bridal industry is worth over 1.6 trillion yen or \$15.13 billion, the marriage service industry has large capacity for strong growth if targeted correctly with the appropriate tools. **Current Players**

The market can be broken into 3 main categories: marriage counseling firms, data matching firms, and internet/app-operated firms. While marriage counseling firms offer a full range of support from self-improvement classes with professional counselors to setting up parties, data matching firms cyber-introduce potential partners by matching inputted data. Internet/app-operated firms solely maintain the websites/apps. It was found that more men than women signed up for data matching firms, while more women tended to rely on marriage counseling firms. Men chose services based on the number of participants and the services offered, while women were more price-conscious.⁸

“De-ai” services

The reasons for the low infiltration of internet/app-operated firms in the market despite the overall high SNS usage rate in Japan may be due to the “de-ai” type services. “De-ai” services promote casual dating and short-term relationships that allow users to stay anonymous while searching for partners, thus appealing to those who are looking for little commitment relationships while keeping their identity a secret. Users pay a per-email fee instead of a monthly fee, so there were cases of scammers posing as users to solicit money.⁹ Due to linkage with these kinds of illegal activities, “de-ai” type services has given online dating as a whole a bad name.¹⁰ Therefore, the government has established specific guidelines (“Marriage Counseling Services Authentication Policy Guidelines”) in 2009 to define the terms of a “marriage counseling firm” to distinguish legitimate services from “de-ai” types.¹¹ Answers in the Mitsubishi UFJ Research report also voiced concerns of the safety and reliability of internet-operated marriage service firms due to these “de-ai” services.

Current Applications: SNS and Dating/Marriage Services

“Pairs” is a dating application that has the most number of users in the dating and marriage service market in Japan. (what is the source?) Available in over 10 languages, the app utilizes information from Facebook to pair users on their own app platform and like Facebook, the app has a “like” option where users who have mutually “like”-d their profiles can start a chat. Users must have a Facebook account with more than 10 friends, and submit official identification including a copy of a driver’s license, passport, or national health insurance card. They also have a 24/7 security system to stop any signs of suspicious activities. These strict rules have allowed this app to prove its validity, and garner many users.

Mixi, the more private Japanese version of Facebook, is also involved in the dating and marriage services market. In 2013, they acquired Diverse, Inc., a dating website with over 10 million users, and a “machi-kon” service company called “Confianza”. The involvement of major SNS players in the dating and marriage service industry has allowed those internet/app companies to validate their services, thus gaining the trust of the users.

⁸ http://www.service-js.jp/uploads/fckeditor/uid000003_201402251815517453e552.pdf

⁹ <http://www.dailymail.co.uk/news/article-3116784/Dating-site-2-7-million-members-one-woman-Bosses-online-scam-arrested-Japan.html>

¹⁰ More information can be seen: <http://www.tokyoreporter.com/2014/01/27/japans-deai-kei-dating-sites-making-a-killing/>

* Guideline details can be seen here (Japanese only): <http://www.counselors.jp/pdf/guideline.pdf>

There are other similar applications, but most are operated by firms who offer other services like 1-on-1 counseling as their main service, and provide the app as an extension. The reason for the popularity of marriage counseling firms may be because the people want to receive personal guidance. In a Mitsubishi UFJ Research and Consulting Co., Ltd.'s 2010 report, roughly 90% of the market was composed of marriage counseling firms, while 9% were dating matching firms and the rest were internet/app-operated. In a majority of the cases, the marriage counseling firms also provide data matching services and internet/app services, so more people were found to be inclined to sign up for the marriage counseling firms rather than individual data matching and internet/app firms.

Domestic Players

Although there are firms that focus on one category, the top firms in the industry often cover all 3 services of marriage counseling, data-matching, and internet/app-operation. Incorporating all 3 services would allow a user who signed up with the internet/app--operated firms to be directed to a marriage counseling firm if they wish to participate in a party or get personal advice from a marriage counselor. It is found that marriage counseling firms often covers the other 2 services.

Marriage Counseling

According to Conshare, the top 4 firms in the marriage counseling market are: IBJ, Inc., Partner Agent, Inc., Zwei K.K. and Zexy En-Musubi by Recruit Marketing Partners Co., Ltd.. Zexy's En-Musubi service started in December 2014 so there are no official reports of total sales, but the total sales for the other 3 firms of 2014 amounted to 9.27 billion yen or \$87.74 million.

The reason for Zexy En-Musubi's popularity despite its recent entry in the market is due to their reputation in the marriage industry, in which they release a monthly magazine covering marriage and wedding tips. They also offer other services, such as wedding-planning and furniture-picking for the couple's future home.

Marriage Counseling Firms and the Monthly Fees (Taken from the respective homepages)

Marriage Counseling Firms	Maximum Monthly Fee (Registration Fee)
IBJ, Inc. (IBJ Members)	6,200yen/\$58.63 (378,000yen/\$3,574.80)
Partner Agent	16000yen/\$151.31 (125,000yen/\$1,182.14)
Zwei K.K.	13,800yen/\$130.51 (125,000yen/\$1182.14)
Zexy En-Musubi	3,980yen/\$37.63 (0yen/\$0)

The sign up process for such companies follow the same general flow: the user would sign up either online or in-store and fill out basic information including what they look for in a partner. Afterwards, the company would send them a list of candidates. If there is mutual interest, the company would facilitate the communication taking place between them via free consultations if necessary, and then the two would go on a date or attend a party held by the company together. Some even help with the wedding process as well.

Data Matching

The top 4 firms in the data matching market are: Rakuten O-Net, Bridal Net (IBJ, Inc.), Zwei K.K., and Zexy by Recruit Marketing Partners Co., Ltd. Rakuten O-Net, Zwei K.K., and Zexy by

Recruit Marketing Partners Co., Ltd. offer marriage counseling services, while Bridal Net is operated by IBJ, Inc., who also operates marriage counseling services. IBJ, Inc. was the first company in this Japanese market to introduce an online “kon-katsu” information site as “Bridal Net”.

Data Matching Firms and the Number of Users as of 09/2015 (Taken from the respective homepages)

Data Matching Firms	Number of Users	Maximum Monthly Fee (Registration Fee)
Rakuten O-Net	42,265	13,900yen/\$131.45 (106,000 yen/\$1002.45)
Bridal Net (IBJ, Inc.)	135,415	3,000 yen / \$28.37 (0yen)
Zwei K.K.	33,078	13,800yen/\$130.51 (125,000yen/\$1182.14)
Zexy En-Musubi by Recruit Marketing Partners Co., Ltd.	N/A	2,592yen/\$24.51 (0yen)

Rakuten O-Net’s data matching service includes receiving a list of as many as 10 candidates per month based on the self-introduction written when first signing up, a free photoshoot with a professional cameraman for one’s online profile, and an advisor-support system who helps with the wardrobe, manners, communication and planning the ‘marriage hunt’.

Internet Operated

The top firms in the internet-operated market are: IBJ, Inc. and Diverse K.K. Diverse K.K. operates multiple dating and marriage services, including the website YouBride, the app YYC, and a magazine AM. YYC boasts 2.9 million members and YouBride has 950,000. YYC became the #1 app in the social category of the App Store.

As stated above, there are not as many internet-operated companies due to the non-transparency of its operations compared to other services where users can physically meet the employees of the website.

Best Prospects, Market Entry and Market Obstacles

Online Dating

Surveys show that up to 80% of the population in their 30s has a smartphone, and this climbs to 94% for the people in their 20s.¹² According to Nielsen Holdings H.V.’s survey, Facebook had over 14.97 million PC users and 33.77 million smartphone users in Japan, making it the most used SNS out of Line, Facebook, Twitter, Google+, Instagram, and other popular sites. The rising rate of SNS usage, especially Facebook where one must enter detailed information about oneself, shows that more people trust these kinds of services with their private information. Therefore, it can be said that the dating and marriage services has potential in the online field. However, infiltrating this market in Japan with an internet/app service centered on casual dating may be difficult due to cultural differences, and validating its authenticity would be the key to success.

¹² <http://news.mynavi.jp/news/2015/05/20/171/>

International Dating and Marriage Services

The homepages for marriage counseling firms are most often only in Japanese, therefore making it difficult for non-Japanese speaking people to find partners in Japan, and for Japanese people to find foreigners. The reason that Japanese people sign up for well-known U.S. dating and marriages services is for the larger number of foreign users. However, since many foreign sites are not for marriage but for dating, needs are not being fulfilled.

Furthermore, Japanese who have spent time abroad often find a hard time readjusting. This is especially the case for unmarried and foreign educated women. While the new generation is becoming more flexible, there are challenges for women who are highly educated and successful in their careers. Female MBA holders from the States might be rejected from traditional marriage counseling firms as their incomes and education levels are above typical Japan standards, and as men still veer towards preferring women who would be housewives. This growing group is eager to be connected to men who would appreciate their backgrounds and wish to seek long term relationships.

With the Tokyo 2020 Olympics, the decreasing general population and shortage of labor, the number of visa holders and permanent residents are expected to increase in the next decade. An English and Japanese friendly website that either language speaker could easily navigate, would allow for a wider target audience and may even contribute to the re-growth of the Japanese population.

The Growing Elderly Population

As life expectancy increases along with the population of the elderly in Japan, people past 60 years of age are looking for marriage opportunities. The dating and marriage services market targeted for the older generations has potential for growth, and according to Sankei news, 1 in 5 people who consulted marriage counselling firms were over the age of 60 in 2014.

According to the Ministry of Internal Affairs and Communication's whitepaper report of 2014, more than 60% of 60~69 year olds and 40% of 70~79 year olds used the Internet, and about 13.2% of people older than 60 used SNS. Although SNS usage may be low right now, the MIAC expects the usage rate to increase as the senior population increases their interaction with the younger generations, and as younger generations continue to use SNS as they grow older.

Because of the cautiousness of the older generations, these participants tend to look for more personal guidance than the younger generation, so it is advised that U.S. firms partner with marriage counseling firms if they try to target the senior audience.

How the U.S. Commercial Service can help

The Commercial Service can help you in entering the market by providing market counseling, and meeting with you on your next trip to Japan. The Commercial Service also provides fee based services that can help you find an appropriate local partner or agent, or promote your company/product line through an Embassy supported event.

For more information, please email Services Specialist Tamami Honda at:

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