

3.8 Case Study of Japan¹

3.8.1 Profile of a Woman Entrepreneur

For Japan's case study, the entrepreneur was introduced to APWINC through its continued and longstanding work with APEC. Rika Yajima is the founder and CEO of aeru company and is based out of Japan. In 2017, Yajima was the overall winner of *[APEC's] BEST Awards* and winner of the *Best Social Impact Award* (APEC, 2017). She was chosen from an outstanding group of 12 finalists representing various APEC economies for her work with aeru company (APEC, 2017). Her company specializes in selling infant and children products that are aimed at preserving and promoting Japan's historical roots and traditional culture—further details are included below (APEC, 2017).

A 60-minute interview was conducted with Rika Yajima in January 2018 via Skype. During the voice chat, questions pertaining to the founder's entrepreneurial journey were discussed. The full list of interview questions can be referenced in the Appendix. Additional research and findings about Yajima and her company were obtained through online resources, which were also incorporated into the analysis and case study findings.



Source: from aeru company

- Name of Founder: Rika Yajima
- Nationality: Japanese
- Age: 29 years old
- Title: Founder & CEO of aeru company

¹ This case study was conducted by Stephen Ham, Researcher & Editor, and Teri Ham, Researcher.

Start-Up Story

Rika Yajima started her company when she was a university student at the young age of 22 years old. Becoming an entrepreneur was not originally her dream. In fact, she was studying to become a journalist at Keio University in Japan when she discovered her love and passion for learning about and preserving traditional Japanese culture. It was noted that she even won a TV quiz show about Japanese culture and manners (in 2007), which first ignited her interest in traditional arts and crafts

During her university years, she noticed a gap in younger generations and their appreciation and knowledge of traditional Japanese culture and artistry. She feared that if young people grew up without an understanding of traditional Japanese culture and arts, that such traditions, history, and artistry might die out and be unavailable to future generations. As she reflected upon her own childhood, she realized that she, too, did not have opportunities to touch and feel Japanese traditional arts and crafts when she was growing up and noticed the same trend among her friends and peers. This troubling realization ignited her desire to start a company around connecting old traditions with future generations.

After entering a business competition for students (in Japan) in 2010, Yajima was able to win some money (approximately 1.5 million yen) to start pursuing her dreams of launching a business around preserving and promoting traditional Japanese culture to young people and future generations. In 2014, she opened her first store in Tokyo named ‘aeru meguro’, where she presented traditional crafts designed and made especially for babies and young children by professional artisans. By 2015, she was able to open a second store in Kyoto, called ‘aeru gojo’.

Yajima makes it clear that the main point of her company is to tell the story behind the one-of-a-kind crafted items sold, and not just to *sell* items. Passing along the traditions, history, purpose, and story of how the items were crafted is an important part of the company’s mission and goal. Yajima wants her and her company to educate future generations regarding historical traditions and crafts so that young people can grow up appreciating their roots and heritage. Therefore, the items sold by aeru have been carefully crafted with detailed descriptions, beautiful photos, and sometimes videos to bring to life the product’s background and story. Currently, her company’s products are sold online, in retail stores (located in Kyoto and Tokyo), and in department stores.

3.8.2 Profile of a Company

- Website: <https://a-eru.co.jp/en>
- Company Slogan: 'To connect Japanese traditions to the next generation.'
- Company Founded: March 16, 2011
- Company Location: online store with retail stores in Tokyo and Kyoto, Japan

Products & Services

The company specializes in selling everyday products for babies, children, and adults that are handcrafted by Japanese artisans to reflect traditional artistry and designs. The items include traditional crafts and pieces like earthenware, lacquerware, handmade Japanese paper, and indigo hand-dyed products (like the products shown below).



Source: aeru company

Additionally, the company also designs for a few select hotels in Nagasaki and Himeji, Japan. The company incorporates traditional Japanese culture and other features of the city into their room designs so that guests will be able to 'feel' the unique aspects of a region with all five of their senses.

Table 1. Timeline of Key Events (Kameda, 2016)

Year	Description of Time-Line of Key Events
2015	Opens a second store named 'aeru gojo' in Kyoto
2014	Opens the first aeru store named 'aeru meguro' in Tokyo
2011	aeru company is established
2010	Yajima wins student business competition sponsored by the Tokyo Metropolitan Small and Medium Enterprise Support Center and Tokyo Metropolitan Government
2007	Yajima wins a TV quiz show about Japanese culture and manners and her interest in traditional arts and crafts is ignited

Table 2. Company Achievements/Awards (aeru, no date)

Year	Description of Company Achievements or Award
2017	<ul style="list-style-type: none"> • APEC's <i>BEST</i> Award and Best Social Impact Award Winner • Kyoto City Culture and Arts Industry Tourism Awards "Kirameki Grand Prize" Winner (Kyoto City)
2016	<ul style="list-style-type: none"> • 3rd Kyoto Community Entrepreneurs Grand Prize Excellence Award (Kyoto Shinkin Bank) • Company certification by Kyoto City (Social Innovation Laboratory Kyoto)
2015	<ul style="list-style-type: none"> • FourthDBJ Women's New Business Plan Competition: Women Entrepreneurship Award (Japan Development Investment Bank) • Design for Asia Award 2015: Silver Award Winner
2014	<ul style="list-style-type: none"> • OMOTENASHI Selection 2014: Winner (Japan) • GOOD DESIGN AWARD 2014 • Social Products Award 2014
2013	<ul style="list-style-type: none"> • GOOD DESIGN AWARD 2013 • 7th Kids Design Award
2012	<ul style="list-style-type: none"> • 6th Kids Design Award • Special Jury Award: Child-born breeding support design Individual / household division • Design for Asia Award 2012: Silver Award
2010	<ul style="list-style-type: none"> • Business Plan Contest "Student Entrepreneurs' Championship" Excellence Award from the Tokyo Metropolitan Government Foundation Small and Medium Enterprise Development Promotion Corporation
2009	<ul style="list-style-type: none"> • Business Plan Contest '2009 Campus Venture Grand Prix': Received Tokyo Industrial Club Award (Nikkan Kogyo Shimbun)

3.8.3 Findings

3.8.3.1 Success Factors

“At first [the prize money was] not enough [to get started]. But I think...not depend on the money... Because if I need many money, I think I can borrow by the bank or angel [investors]...we have many way to get the money. But I think more important things is uh why I want to start that... For me, I want to connect Japanese tradition to the next generation. [Nobody] thinks about uh make the products for baby and kids with Japanese artisan...”

-Rika Yajima, CEO & Founder of aeru company

Familial Support

Yajima credits her parents with being very supportive of her idea and dream to start aeru. While they did not give her any money to start her business venture, she found their support invaluable and thinks that finding her own funding made her more successful in the long run.

Market Opportunity

Yajima's company is the first of its kind and currently fills a big market gap, as there is no other retailer of traditional Japanese items made specifically for: (1) babies/children and (2) for the purpose of educating future generations. The company is also focused on making products that can 'grow up' with their customers and span a lifetime. Therefore the company's selection of products ranges from items that can be used by children all the way up to adults.

Prior to launching aeru, Yajima did not do any product or market research, and credits the success of her company to her passion, mindset, and sincere goal of wanting to preserve traditional Japanese culture. To this day, aeru does not do market research before launching new products.

Unique & Inspirational Branding

One of Yajima's accomplishments that she is most proud of is that she has brought hope into the world. She hears this from both the artisans she collaborates with and her customers. Artisans are appreciative of aeru's respect for their craft and mission to preserve their trade in a world that may see their work as a 'dying art', and customers are grateful that there is a retailer that sells high-quality, artisanal products that are sincerely and lovingly made, allowing them to teach and pass down important traditions to their children.

The CEO of aeru estimates that 95% of the artisans they work with are men, and only about 5% are women. Despite working with mostly with men artisans, Yajima has not experienced any discrimination because of her gender or young age. In fact, her experience has been quite the opposite. The artisans have been eager to work with aeru, and are very grateful for her interest, and are curious as to why a young woman would be interested in preserving and promoting their art and trade.

Yajima states that the average age of artisans of traditional Japanese crafts is around 65 years old. However, the average age of artisans who work with aeru are in their 30s, but can range in age from 20-70 years old.

The company's partnership and collaboration with younger artists is also very helpful in an economic sense, as Yajima states that younger artisans often struggle to find work. Unfortunately, even though there is interest from young people in pursuing a career in the traditional arts and crafts sector, job opportunities tend to be on the scarce side, and therefore artisans who fall into this category are very excited to work with aeru.

Leadership Philosophy and Style

As Yajima was not a trained entrepreneur or business professional prior to launching aeru, she relies mostly on an attitude of ‘learning by doing’. She believes that anyone and everyone can be a teacher, and is quick to ask questions when she needs help.

A philosophy that has guided aeru is an old Japanese saying called ‘sampo-yoshi’. It is a term that means ‘beneficial for three sides’. Yajima views the three entities as herself, the customer, and society. She has applied this principle in the following way: if I sell something that customers want (I become happy), and if customers want to buy something that I am selling (they become happy), the result is that everyone will be happy, meaning that society will positively benefit from this exchange/interaction. Yajima views this as a simple, yet important concept that continues to guide her business and aspirations.

For the first 3 years, Yajima ran the company herself, but after the 3rd year she began to hire other team members. In terms of her management style, Yajima believes in empowering her team. As she often has to be out of the office to travel to meet with artisans, she wants her employees to feel comfortable in quickly checking with her on high-level decisions, but mostly in being independent when she is not around. As her employees ‘grow up’, she believes that her company will also ‘grow up’. She also encourages her employees to indulge in out-of-the-office learning opportunities, like: visiting factories, meeting with artisans, frequenting museums, and other physical activities like kayaking and hiking. Since the five senses are a core component of aeru’s business, she wants her employees to participate in activities and learning experiences that can help them develop their sensory faculties. These types of non-traditional educational opportunities are important and a core philosophy of her management/leadership style.

Shift in Socio-Cultural Priorities

Yajima’s comments echo sentiments expressed in previous research findings that share how natural disasters in Japan have changed the societal priorities of citizens in Japan. In Yajima’s experience, the 2011 earthquake marked a major turning point in family and life priorities. Prior to the natural disaster, most citizens felt that the national economy/money/career were the most important. However, after the earthquake, people began to question if this was the right focus to have, and started to place more importance on nature, culture, and human interaction. As a society, the population tried to find a better balance between work and enjoyment. This shift in socio-cultural priorities provided a fortuitous opening for aeru, as more people were becoming interested in items and experiences that represented and promoted traditional Japanese culture.

“Of course, handcraft is a little bit more expensive, but, but many young people think about, about...like me...we want to tell our baby and kids about Japanese tradition so...the mind is

very emotional and people feel, feel very similar things...so our business is successful I think. Maybe [for a] 20th century company [the] most important thing [is to] earn money. But 21 century is a little bit different I think. Earn money is necessary to do...but the most important things...what is the change [in the] world if the company do.”

-Rika Yajima, CEO & Founder of aeru company

Industry Gap & Branding

Yajima credits the longevity and success of the company to her recognizing a gap in the traditional crafts industry and creating a new market to address it. Overall, since 1979, the industry has decreased in engagement by approximately 76% over the past 34 years as evidenced by the below statistics.

Figure 1. Downward Trend of the Japanese Traditional Craft Industry

In data provided by the Association for the Promotion of Traditional Craft Industries, a downward trend in the Japanese traditional craft industry was cited:

- 2013: the number of people engaged in the sector was approximately 68,720
- 1979: the number of people engaged in the sector was approximately 288,000

Source: Kameda, 2016

When Yajima first launched, aeru was the first company of its kind, and the only brand to sell traditional items that are intended to: (1) teach younger generations about traditional crafts and items, and (2) make such items more appealing and accessible to younger generations. And even though aeru is nearly seven years old, it still remains as the only company to provide traditional handcrafted items that are made specifically for babies and young children.

Also, as mentioned in the previous section, timing has also played a crucial role in helping aeru to build its customer base. The shift in Japan’s socio-cultural priorities made aeru’s mission of creating a new market all that much easier.

“Recently in Japan, the tradition is important movement we have...in 2020 we have the Olympic, and people say...Japanese tradition is very important...but...we start our company before the Japanese traditional movement.”

-Rika Yajima, CEO & Founder of aeru company

A clean market entrance and fortunate timing may have initially created opportunities for aeru, but Yajima believes that company growth has been achieved through their clear and strong branding.

“[We provide a] very clear message. Branding is our most important skill set.”

- Rika Yajima, CEO & Founder of aeru company

Whereas most traditional shops or craft stores have an ‘elderly’ customer base, aeru’s customers cater to a whole new segment.

“Our main customer is 20-40, young people. Young people who don’t know about Japanese tradition...”

-Rika Yajima, CEO & Founder of aeru company

Yajima goes on to explain that young parents do not intentionally set out to find aeru, but instead accidentally happen upon the company as they research high-quality, good products for their children. But when young parents do discover aeru, they are pleasantly surprised to find that there is a company like aeru and are appreciative that they can buy functional, beautifully hand-crafted items that are educational for both themselves (as many young parents are also not well versed in traditional Japanese arts/artistry) and their children. The younger skew of aeru’s artisans may also be seen as a competitive advantage and may explain the appeal that the company’s designs have to younger parents and markets. Even though aeru’s products are made in traditional ways, the design of the items has been intentionally adapted/updated/modernized. Yajima thinks this is actually one of the main innovations and accomplishments of the company – being able to capture the history and traditional roots of handcrafted items, in a modern way, without diluting or losing its essence.

The Role of ICT and Media

As previously mentioned, ICT has had a big impact on Yajima’s business and entrepreneurial journey. In some ways it is ironic considering that the basis of the company is to promote traditional culture and items. But by bridging the old world with the new/contemporary world, Yajima’s company has been able to successfully create a new market. The key to bridging the old with the new for aeru can be attributed in some part to ICT. Current technologies and platforms made it possible for Yajima to turn her idea and passion into reality quickly, with relatively low risk and investment (as evidenced by the below quote).

“If we don’t have the ICT, I couldn’t start my business. I don’t have any shop...we have only online shop. I think the Internet is changed the world. So, before Internet...we need big money to start new business, but with Internet, we don’t need big money, we need a little bit of money and big idea, big action.”

-Rika Yajima, CEO & Founder of aeru company

An additional and unexpected, surprising way that ICT has created yet another bridge is between the customer and artisan. Instagram², a popular online photo-sharing application with over 231 million users, has brought the artisan and customer together in a unique way. Through this popular platform, when customers upload pictures of aeru products, artisans are able to see how their crafts and artwork are being used and appreciated by customers and children. Yajima has cited that this has made artisans extremely happy and that this has been a big source of encouragement for them. This sort of friendly and indirect interaction that social media has facilitated can be seen as an important element contributing to aeru's success.

On the flip side, even though social media is considered to be an almost basic, integral element of any company's marketing and branding strategy in this day and age, aeru, much like their company's products, have actually found success in more traditional mediums. When Yajima started out, she had no money for advertising. However, Yajima's mission and philosophy for the company is so unique and sincere that getting media attention has never been an issue for aeru. In fact, in her first year of business, Yajima received over 100 press opportunities including newspaper & magazine articles (both online and in print), and TV coverage. This was key in generating both company/brand awareness and in building a strong customer base. Yajima also credits the diversity of media coverage she receives as being more meaningful and impactful than if she leveraged only social media as a marketing channel. Given that she was a young, female entrepreneur making a new market in the traditional craft industry, she was not shocked by the amount of media coverage that she initially received. However, she has been very surprised and grateful that the attention has not died down, and that even seven years later, various media outlets are still interested in her and the company's story. She credits this to her company's philosophy of being more interested in spreading Japanese traditional culture than just making money or selling items.

Gender & Government Programming/Policies

The below two sub-sections go into greater detail on the extent to which gender and government programming/policies have impacted Yajima's entrepreneurial journey.

"I think Japanese society has very changed now."

-Rika Yajima, CEO & Founder of aeru company

Despite the above research findings in 'Section One' relaying the difficulties female entrepreneurs face in Japan and other gender & ICT gaps, this has not been reflected in Yajima's journey or personal experience. As a female entrepreneur, Yajima has been lucky to largely escape discrimination or hardships based on her sex, and in fact, has found that being a young woman has

² <https://www.instagram.com/>

actually been advantageous in some regards. Firstly, her sex and age has opened up opportunities for funding.

“The government says the female, the young people, and seniors, we have to support [them]. And so, many [banks] or investment [firms], they want to [lend] money for young [people], women, or [seniors].”

-Rika Yajima, CEO & Founder of aeru company

She further comments that the current climate, in her experience, is very good for young, female entrepreneurs and thinks that possibly females may even have a slight advantage over males as there is increased national focus on helping female owned startups. But she also realizes it was not always the case. She recognizes that female entrepreneurs 20-30 years her senior struggled a lot to build businesses and become leaders, and is therefore very grateful to her predecessors for enduring hardships and paving the way for future generations of female leaders.

“Recently we can get money very easily I think. The challenge money...we have many challenge money, because in Japan we need more entrepreneur, and we need more new business, so the government, they encourage the new entrepreneur and young people.”

-Rika Yajima, CEO & Founder of aeru company

In terms of traditional societal, cultural, and gender barriers, she also states positive shifts. Previously young, single women may have felt pressured or obligated to focus on finding a good husband, being a good mother, and possibly finding a good career that wouldn't interfere too severely with household duties. In terms of Yajima's own start-up story, she was fortunate to have parents who did not dissuade her from becoming an entrepreneur. Contrary to research presented in 'Section I' that points out long-standing cultural and societal barriers for girls/women when it comes to focusing on career over more traditional roles like marriage and household work, Yajima received great support and encouragement from her family and friends to pursue her idea, which inevitably had a positive impact on her path to success.

“My mom and dad they say – uh if you want to do that you can...They very helpful for me to you can do it.”

-Rika Yajima, CEO & Founder of aeru company

Yajima also feels that society is more open to encouraging women to become entrepreneurs and re-define what happiness means to them. She states that recently girls have more opportunities to think about what makes them happy, and what constitutes a happy life. Before it was simple. A good career and a good marriage equaled a happy life. While these things still make girls happy,

she finds that young women are more curious about different ways to expand their vision of a happy life. Yajima explains that, ‘I think before the society [dictated what makes girls] happy’. She goes on to say that now girls/women are able to think for themselves and are able to more freely pursue what their definition of happiness looks like. This positive trend in freeing girls from previous limiting and patriarchal views is something that she believes will begin to change and evolve even more over the next five years.

In regards to what government policies and programming have been influential in Yajima’s entrepreneurial path, the following three questions were asked. Yajima’s answers are included below in italics.

Question1: What public resources, governmental policies, or programs do you think have been key in supporting women entrepreneurs or startups?

“The support of the country is substantial, but the role model of women entrepreneurs are few, and opportunities to meet [them personally are too] limited. For that reason, I feel that women have no idea of [what] entrepreneurship is [and that is] the [main] issue.”

-Rika Yajima, CEO & Founder of aeru company

Question2: What further policies or programs do you feel are still needed to support women?

“Support is already substantial, so we need to make opportunities to meet women entrepreneurs from a young age, such as doing classes inviting women entrepreneurs at school instead of relying [on] only [the country to lead such initiatives]. I myself am taking the opportunity to take the initiative to visit the school too.”

-Rika Yajima, CEO & Founder of aeru company

Question3: Can you list any specific opportunities or programs that were helpful in launching your startup?

“The prize money received in the business contest helped, and I was able to start [my business].”

-Rika Yajima, CEO & Founder of aeru company

Findings from this case study demonstrate the marked progress national leaders have made in cultivating a more conducive environment for female entrepreneurs looking to start and build their businesses, especially from a public-sector standpoint. However, one area of caution that may still be of concern is the lack of support and acceptance of female entrepreneurs from the private sector.

Earlier, research from Debroux (2004) pointed out the difficulties female entrepreneurs face in getting loans & financing and suppliers to work with, especially compared to their male counterparts. So while there has been marked progress, it is still important for government leaders to continue to identify and pursue areas that persist in being challenges for female entrepreneurs.

3.8.3.2 Challenges

One of the main business challenges Yajima has faced is in finding the right employees for her company. Although she gets a lot of interest from people wanting to work for aeru, it is difficult to find applicants with the right skills needed and who also fit the company's corporate culture. This is particularly important to Yajima, because once she hires someone, she hopes that the work relationship will be long-term and even last forever. In many ways she views the team relationship similar to that of a family unit.

Overall, the biggest challenge aeru has is to just continue their business and mission, and have the opportunity and ability to grow their vision.

Leveraging ICT Technologies

Even though aeru is a company focused on traditional Japanese culture and items, ICT plays a key role in Yajima's business platform. As the CEO, she leverages ICT technology in the following ways:

- **Business Platform**
While aeru does have two physical retail stores, their online presence/store is a major component of their business strategy and generates a large portion of the company's overall revenue. Specific figures or percentages were not disclosed during the interview.
- **Social Media**
Currently, aeru promotes their brand/company on Facebook (over 12K followers), Instagram (1,365 followers), and Twitter (1,608 followers).
- **Employee Communication**
Given that Yajima often travels and that her team is spread between two physical offices, tools like: phone communication, Slack³ (a messaging tool for teams), and appear.in⁴ (a video conferencing tool) are all helpful channels/tools/mediums to facilitate consistent and easy communication within her team, among artisans/collaborators, and with her customers. Internally, Slack has replaced e-mail. Yajima states that Slack makes it easier to have real-time conversations with her employees, as e-mail requires a more formal style

³ <https://slack.com>

⁴ <https://appear.in/>

of communication that tends to be less efficient than real-time messaging. Additionally, the tool provides an option to organize conversations into projects, which the team also finds helpful and effective. Line⁵ (a free messaging app that can be used on various smart devices) and Facebook Messenger⁶ were also cited as tools that make it easier for aeru to communicate with artisans.

For the first five years, Yajima's focus was the domestic market. However, in recent years the company has been slowly aiming to serve international clients. ICT has made this leap possible and easier. Currently, the online shop is available in both Japanese and English, and social media sites also are designed to reach both domestic and international followers.

3.8.3.3 Policy Recommendations

Despite the overall favorable findings from this case study, some recommendations that can still be made to improve the conditions, state, and growth of the female entrepreneurship in Japan, include the following:

Increase in Mentorship Opportunities and Platforms Where Young People Can Meet and Interact with Female Entrepreneurs

Yajima has lamented about the lack of visibility and accessibility of female entrepreneurs, especially when it comes to role models for future generations and young people. More mentorship opportunities and increased platforms to allow young people and entrepreneurs to interact have been suggested as a recommendation moving forward as policymakers continue to promote ICT and gender agendas. As previously stated in the GEM report, the average entrepreneur in Japan is described as being a well-educated, middle-aged man (Futagami and Helms, 2017). Further work needs to be done to bring women leaders to the forefront, and to change the perception of who and what a 'typical entrepreneur' looks like in Japan.

Increased Focus on the Promotion of Gender Equality in the ICT Industry and Entrepreneurship

Estimates show that the national economy could grow by 18% if female employees worked at the same rates as male workers. This is of particular concern since Japan is suffering from low birthrates and an aging population (Futagami and Helms, 2017). Current statistics also show that highly trained female workers, as a group, are underutilized in Japan's job market (OECD, 2017). ICT is one solution to address this multitude of problems. The findings from 'Section I' show that ICT can spur innovation and open up new market opportunities that can lead to new job creation and economic growth. The aeru company is an example of this. The company has been able to

⁵ <https://line.me/en/>

⁶ <https://www.facebook.com/>

successfully create a new market, insert innovation into a lagging industry/market, and has provided employment opportunities for artisans that had previously struggled to find work.

Updated, More Current Research & Statistics

Furthermore, it is recommended that more up to date research be conducted on the failure rates of new businesses, looking at differences between males and females. As stated previously, 2007 government data showed that female-owned ventures were twice as likely to close their businesses compared to males. However, as this research is already over a decade old, it is suggested that policy leaders look into updating such statistics and determine if the factors or root causes can still be attributed to: insufficient skills and training, weak personal networks, and issues with balancing work and home-life. Based on new findings, future policies will be better guided as to how to more effectively help and promote female entrepreneurship in Japan.

3.8.3.4 Advice for Women Entrepreneurs

In terms of takeaways and learnings for other female entrepreneurs, the following can be gleaned from Yajima's example:

Start with a Genuine Passion and Love for What You Are Doing

The company's genuine and sincere mission for wanting to educate babies, children, young people, and young parents has inspired and piqued interest from everyone including the general public, press, and artisans. This has been a major factor in why the company has been able to thrive and grow.

Have a Clear Mission

A distinct, unique, and well executed mission branding strategy have played an integral part in aeru's success. The company takes the time to educate their customers by creating content (instructions/descriptions, photos, & video) that engages users and stimulates interaction between all parties (aeru, artisans, and consumers).

Take a Diversified Approach

The company has embraced diversity in many areas of their business, including their: product designs (traditional pieces, mixed with modern overtones), platforms (retail & online stores), product offerings, artisans who range in age and experience, and press promotion – leveraging current social media trends, but also embracing more traditional press mediums.

Invest in Your Employees

Her non-traditional employee education philosophy helps her to team to excel at critical skills important for the business and also keeps them happy, motivated, and inspired.

3.8.3.5 Summary and Discussion

The ‘Discussion’ section will present a brief analysis which will compare and contrast findings from this case study with other pertinent research, publications, and informational sources stated in the first section. The objective of this section is to provide a better understanding and context as to how the case study findings fit in with the overall research from Japan on entrepreneurship, gender, and ICT.

In ‘Section One’ the following reasons were noted as underlying barriers to entrepreneurship in Japan, which included: (1) limited funding sources, (2) unattractive legal system policies, (3) fear of failure, and (4) limiting cultural practices/beliefs (Karlin, 2013).

(1) To address the first barrier—limited funding sources—it can be concluded from the case study findings that this particular challenge was not a major concern for Yajima. In fact, her experience has been quite positive when it comes to obtaining funding, and actually credits and praises the government for opening up funding opportunities that are specifically targeted towards young people and females.

(2) In terms of the point about Japan’s legal system, this also did not seem to have a negative bearing on aeru. However, it should be noted that this topic was not deeply explored in the interview.

(3) Yajima also did not seem to suffer from a ‘fear of failure’ mentality that research and literature has touched upon. In fact, her passion, support system (family, friends, artisans), and her strong desire to prevent Japanese historical cultural practices and art from dying out have been empowering, and have been the building blocks for giving her confidence to go after her dream.

(4) Contrary to literature pointing out various cultural barriers holding back entrepreneurs and women, Yajima feels that Japan has actually moved forward in becoming more open to embracing career women and giving them the freedom to choose and design a path that makes them happy on an individual level, instead of one that is dictated by society. And she further sees more changes coming over the next five years.

Another point worth highlighting is Yajima’s leadership/management style, which is very much in line with Japan’s unique approach to knowledge creation. This figure details six key characteristics of Japan’s approach to creating knowledge including: viewing the company as a living organism, promotion of tacit knowledge over explicit knowledge, self-organization of teams to create innovations, and the belief that knowledge can be acquired from all people, including those outside

of the team/company (Takeuchi and Shibata, 2006). While Yajima's young age and lack of business/entrepreneurial experience could have been seen as hindrances, she was able to successfully navigate her business through her strong leadership and management principles, which are very much in line with those of Japan's well recognized knowledge creation model. Her view of hiring and managing her team is both distinctive and unique. As Yajima emphasizes, her team is like her family, and she believes in hiring employees that she hopes to work with 'forever'. Therefore, she takes great time in hiring the right employees from the beginning.

What also stood out was her unique growth philosophy...the belief that as her employees grow, so will her business. It is this philosophy that has seemed to lead her to emphasize investing, educating, and empowering her team over more mainstream management practices. It was surprising and refreshing to learn that she encouraged her employees to expand their experiences and senses by indulging in a variety of activities from visiting museums and festivals to more physical activities like kayaking. Through seemingly unrelated activities to her business, she is attempting to develop a special brand and breed of employees that are as distinctive as her business.

Another point worth emphasizing is how her lack of experience may have contributed to her overall success. Recognizing her own lack of experience, Yajima tended to lean more heavily on seeking knowledge from all sources and people. This probably gave her a rounder, more extensive learning experience than traditional classes might have quipped her with.

Furthermore, throughout the interview, Yajima reiterated that the gap in the traditional craft industry market provided her with a strong entrance point and advantageous path for aeru. From the beginning, the company's entrance strategy has been to educate customers and babies & young children, on the purpose, story, design, and usage of traditional Japanese products. The company has excelled at creating a brand that both resonates and inspires its customers, the press, and artisans they collaborate with.

Conclusion

In the case of this study on Japan, the findings produced results that paint a slightly different picture than what the general research has highlighted. While research overviewed in 'Country Report' has tended to focus on multiple barriers to entry when it comes to ICT and entrepreneurship, Yajima's story is one that shows progress and change. The case study findings have revealed that known previous challenges and hurdles in entrepreneurship have not had a negative impact on Yajima's journey. The findings go on to further indicate that current government programs and policies are strong in supporting young people and female entrepreneurs and in the case of aeru, have been successful in supporting female business leaders. Additionally, shifts in societal beliefs and culture have given women more freedom to pursue individualized paths, including

entrepreneurship. And finally, in the case of aeru, ICT has played an integral role in allowing her to launch and promote her business in a way that has been affordable and relatively easy without a lot of risk.

While most start-ups are known to struggle or close down after a few years, aeru has continued to grow and build a successful brand. What makes this feat even more commendable is the fact that Yajima has accomplished this in an environment/country that is known to be less conducive to females (as supported and highlighted throughout Country Report).

The government's investment in Yajima has certainly turned into a profitable one. Yajima was able to leverage small funding awards promoted by the government and turn that seed money into a successful and thriving business that has gone on to fill multiple gaps over the past seven years. Not only is aeru filling a need on the consumer demand side, but Yajima is also promoting job creation in a sector that is in need of sustenance. As Yajima mentioned, bringing hope into the world is one of the things she is most proud of, and through her dream of launching aeru she has been able to do just that. The company has brought new hope to old artisans and future generations who may have feared that traditional Japanese artistry would die out as rapid consumption of technology continues to increase. Young artisans are grateful for the opportunity to have a fruitful way to sustain their livelihood and continue to design meaningful products. Artisans, customers, and the media alike are drawn to aeru's message of preserving and sharing Japanese traditional culture, and all seem to be inspired by the company's attitude that 'selling' is not their main goal.

Reference

- aeru (no date) *aeru*. Available at: <https://a-eru.co.jp/en/> (Accessed: 27 January 2018).
- APEC (2017) *APEC Announces Asia-Pacific's Top Women Entrepreneurs*, APEC. Available at: https://www.apec.org/Press/News-Releases/2017/1003_ppwe (Accessed: 15 January 2018).
- CIA (no date) *The World Factbook*, Central Intelligence Agency. Available at: <https://www.cia.gov/library/publications/the-world-factbook/geos/za.html> (Accessed: 19 October 2017).
- Debroux, P. (2004) 'Female Entrepreneurship in Japan', *Japan Society of Business Administration*. Available at: https://www.jstage.jst.go.jp/article/abjaba/74/0/74_144/_pdf/-char/en (Accessed: 26 January 2018).
- Dragoi, A. and Dumitrescu, G. (2014) 'Public Policy To Support ICT Development in Japan', *Romanian Economic and Business Review*, 9(3), pp. 149–160. Available at: http://banques.enap.ca/Proxy.pl?adresse=http://search.proquest.com/docview/1688633308?accountid=10748%5Cnhttp://132.209.211.4:9003/enap?url_ver=Z39.88-

2004&rft_val_fmt=info:ofi/fmt:kev:mtx:journal&genre=article&sid=ProQ:ProQ%3Aabi
global&atitle=PUBLIC+POLI.

- Ford, P. (2016) *Barriers to entrepreneurship in Japan | KPMG | GLOBAL*. Available at: <https://home.kpmg.com/xx/en/home/insights/2016/05/barriers-to-entrepreneurship-in-japan.html> (Accessed: 26 January 2018).
- Futagami, S. and Helms, M. M. (2017) 'Can Women Avoid the Rice Paper Ceiling? A SWOT Analysis of Entrepreneurship in Japan', *S.A.M. Advanced Management Journal*, 82(2), pp. 40–52. Available at: <http://search.proquest.com.pugwash.lib.warwick.ac.uk/docview/1926531201?accountid=14888%0Ahttp://webcat.warwick.ac.uk:4550/resserv??genre=article&issn=07497075&title=S.A.M.+Advanced+Management+Journal&volume=82&issue=2&date=2017-04-01&atitle=Can+Women+A>.
- GEDI (2018) *Global Entrepreneurship Index | Global Entrepreneurship Development Institute*. Available at: <https://thegedi.org/global-entrepreneurship-and-development-index/> (Accessed: 26 January 2018).
- GEM (2015) *GEM: Global Entrepreneurship Monitor Data for Japan*. Available at: <http://www.gemconsortium.org/country-profile/76> (Accessed: 26 January 2018).
- Guth, R. A. (2000) 'Asian Tech Focus : Japanese Women Are Doing More Home Work Via Internet --- Web Entrepreneur Schools Underutilized Labor Force --- Gender Issues Still Present a Barrier for Emerging Class', *Wall Street Journal*, pp. 1–4.
- IPP (2017) *Japan, World Bank OECD*.
- Ishida, H. (2015) 'The effect of ICT development on economic growth and energy consumption in Japan', *Telematics and Informatics*, 32, pp. 79–88. doi: 10.1016/j.tele.2014.04.003.
- Ishiguro, R. (2009) 'Japan Female Entrepreneurs Coping with Demands of Life', *Jiji Press English News Service*, 9 March, pp. 9–11.
- ITU (2017) *Measuring the Information Society Report 2017*. Available at: https://www.itu.int/en/ITU-D/Statistics/Documents/publications/misr2017/MISR2017_Volume1.pdf (Accessed: 20 January 2018).
- Jiji Press (2007) 'Female Entrepreneurs Face Harsh Realities in Japan', *Jiji Press English News Service*, pp. 1–2.
- Kameda, M. (2016) 'Retailer bets on generational links to save Japanese craft industry', *Japan Times*, 3 April. Available at: <https://www.japantimes.co.jp/news/2016/04/03/national/retailer-bets-generational-links-save-japanese-craft-industry/#.Wm0ohTdG02w>.
- Karlin, A. R. (2013) *The Entrepreneurship Vacuum in Japan: Why It Matters and How*

to Address It - Knowledge@Wharton, Knowledge@Wharton. Available at: <http://knowledge.wharton.upenn.edu/article/the-entrepreneurship-vacuum-in-japan-why-it-matters-and-how-to-address-it/> (Accessed: 26 January 2018).

- Minniti, M. (2010) 'Female entrepreneurship and economic activity', *European Journal of Development Research*. doi: 10.1057/ejdr.2010.18.
- OECD (2016) *Entrepreneurship at a Glance 2016*. Available at: <http://www.oecd-ilibrary.org/docserver/download/3016021e.pdf?expires=1517014105&id=id&accname=guest&checksum=D54024BC103F323CEE70B38979C13339> (Accessed: 26 January 2018).
- OECD (2017) *Japan Policy Brief*. Available at: <https://www.oecd.org/japan/japan-strengthening-innovation-for-productivity-and-greater-wellbeing.pdf> (Accessed: 20 January 2018).
- OECD and World Bank (no date) *Japan / Innovation Policy Platform*. Available at: <https://www.innovationpolicyplatform.org/content/japan> (Accessed: 25 January 2018).
- Stenberg, L. (2004) 'Government Research and Innovation Policies in Japan'. Available at: <https://www.tillvaxtanalys.se/download/18.6a3ab2f1525cf0f4f95eb84/1453901722466/Government+Research+and+Innovation+Policies+in+Japan-04.pdf> (Accessed: 20 January 2018).
- Takeuchi, H. and Shibata, T. (2006) 'Japan, Moving Toward a More Advanced Knowledge Economy', *WBI Development Studies*, 2, p. 104. Available at: <http://documents.worldbank.org/curated/en/884211468260931314/pdf/372610v20JP0Kn1y01OFFICIAL0USE00NY1.pdf> (Accessed: 15 January 2018).
- Terjesen, S. and Llyod, A. (2015) 'The Female Entrepreneurship Index (FEI)', (Global Entrepreneurship and Development Institute).
- WEF (2016) *Global Information Technology Report 2016 - Reports - World Economic Forum*. Available at: <http://reports.weforum.org/global-information-technology-report-2016/networked-readiness-index/> (Accessed: 25 January 2018).
- Yusuf, S. and Nabeshima, K. (2005) 'Japan's Changing Industrial Landscape'. Available at: <http://econ.worldbank.org>. (Accessed: 15 January 2018).