

TOKYO

Cushman & Wakefield

Global Cities Retail Guide



Born of commerce and complexity, Tokyo is the very definition of a metropolis. Twenty-three wards, 39 municipalities, and 13.6 million people join to form Japan's capital. Include the 3 surrounding prefectures of Kanagawa, Saitama and Chiba, and you have a population base that exceeds 36 million people.

Above the city's busy streets, Japan's economic engine occupies the office spaces of the seemingly endless metropolitan sprawl. Tokyo is the premier portal to world business in this part of the globe and it is one of the largest cities globally in terms of economic size as it has an estimated GDP of USD 973 billions. Tokyo is also home to 51 Fortune Global 500 companies and over 600 headquarters.

Currently, Japan is enjoying the most stable political environment seen since Prime Minister Koizumi was in power. Prime Minister Shinzo Abe and his 3 arrows of aggressive monetary policy, flexible fiscal policy and growth strategy, including structural reform, have helped drive economic growth in the short term and the outlook for the economy under his leadership is positive. These policies and the anticipation of the 2020 Olympic and Para-Olympic games are contributing to the record numbers of international tourists and the value of commercial and residential real estate in Japan's larger markets.



TOKYO OVERVIEW

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KEY RETAIL STREETS & AREAS

GINZA

Ginza, comprising Chuo Dori Avenue and Harumi Dori Avenue, is the long established retail leader in Tokyo and is globally recognized area as one of the world's top performing and most expensive (rent per sq ft) retail areas. It enjoys a strong presence of department stores and flagship shops from industry leading retailers. Ginza is home to three of Japan's most prestigious department stores including Wako, Matsuya, and Mitsukoshi.

SHINJUKU

Shinjuku is home to the biggest train station in the world, with over 4 million passengers per day. Every imaginable type of retail can be found around this sprawling station, including department stores, standalone retail, F&B, electronics and sports. This area is literally the hub of Tokyo due to its supreme accessibility to other Tokyo locales and the Greater Tokyo area. Shinjuku is home to Isetan, Japan's highest grossing department store and Lumine, Japan's highest earning station/fashion building.

SHIBUYA

Shibuya is home to the high-powered SCRAMBLE pedestrian crossing with an astonishing 45,000 people crossing per hour. Shibuya offers retail, entertainment and F&B for a broad audience including teenagers, young couples, young professionals and families. Shibuya station is undergoing redevelopment and there will be at least 6 buildings completed within 10 years close to Shibuya station.

OMOTESANDO

Omotesando offers some of the most awe-inspiring flagships and an aesthetically pleasing avenue that makes this trade area comparable to the likes of Champ-Elysees in Paris. Omotesando is considered to be Tokyo's alternative trade area for luxury and aspiration brands which attracts a broad range of shoppers, from Tokyo's true fashionistas, young professionals, tourists, and local area residents.

AOYAMA

Aoyama is the home to Tokyo's Avant-Garde and destination flagships, such as Comme de Garcons, James Perse and Prada. Aoyama is the original home to Tokyo's underground and sophisticated fashion, with a contrast to its more commercial neighbour, Omotesando. Recently, upscale F&B has been increasing its presence here, in this very quaint retail area.

HARAJUKU

Harajuku has consistently kept its place as the birthplace of Japanese underground fashion for well over 40 years and has evolved into one of the three major commercial trading areas in Tokyo. This area serves as one of the biggest magnets for the young fashionistas in Japan. In an almost cult-like manner, Harajuku shoppers are knowledgeable about their style and are the driving force behind the underground street fashion originating here. Brands such as A Bathing Ape were born in the backstreets of this dynamic retail area. Harajuku has become the home to the highest concentration of casual apparel retailers with flagships for H&M, ZARA, American Eagle, GAP and Tommy Hilfiger.



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MARKET OVERVIEW

KEY AREAS / STREETS	CONSUMER PROFILE	MAJOR RETAILERS PRESENT	NEW ENTRANTS	TYPICAL RENT FOR TIER 1	RANGE OF UNIT SIZES
Ginza	Customers range from affluent local shoppers, mature shoppers 50+, and fashion connoisseurs. Tourists from Asia, particularly China also make their appearance in this acclaimed retail area.	Louis Vuitton, Dior, Chanel, Apple, Tiffany, Bvlgari, Gucci, Hermes, Prada, Armani, Fendi, Valentino, Chaumet, Bottega Veneta, Cartier, Mikimoto, Coach, Burberry, Furla, Dunhill, Moncler, MCM, Abercrombie & Fitch, Zara, Uniqlo, Diesel, Van Cleef & Arpels, Max Mara, Michael Kors, Longchamp	Moorer, APM Monaco, Onitsuka Tiger, Tory Burch (re-entry), Intimissimi	USD 766 - 1,226/ sq ft/ year	1,067 - 10,675 sq ft
Shinjuku	Shoppers in Shinjuku range from all markets; young, mature, professional, and families.	Louis Vuitton, Tiffany, Burberry, Coach, Gucci, H&M, Zara, Forever 21, Uniqlo, MUJI, Adidas, Levi's	Apple, Lululemon	USD 460 - 981/ sq ft/ year	3,558 - 16,012 sq ft
Omotesando	Shoppers in this area range from fashion-conscious professionals, working women aspiring for the best, tourists and wealthy local residents looking to shop and stroll through a pleasant avenue in style.	Ralph Lauren, Paul Stuart, Fendi, Apple, Louis Vuitton, Christian Dior, Chanel, Burberry, Gucci, Celine, Loewe, Saint Laurent, Tod's, Moncler, Prada, Jimmy Choo, Emporio Armani, Coach, Marc Jacobs, Dolce & Gabbana, Comme de Garcon, Ted Baker	Innisfree, Palace Skateboards, Woolrich, Stone Island, Longchamp	USD 460 - 920/ sq ft/ year	1,067 - 5,337 sq ft
Harajuku	Harajuku has consistently kept its place as the birthplace of Japanese underground fashion for well over 40 years. This area by no means lags in the amount of young fashionistas that it attracts, in an almost cult-like manner.	H&M, Zara, GAP, Tommy Filfiger, American Eagle, SKECHERS, GUESS, NIKE, Adidas, Puma, New Balance, ASICS, GU, Zara, North Face, Snow Peak and Columbia	Line Friends, Kakao Friends, Galaxy, GU	USD 460 - 920/ sq ft/ year	2,669 - 17,792 sq ft
Shibuya	Customers are a broad mix of school-aged shoppers to fashionable young couples, professionals and tourists.	Tokyu 109 (the Mecca of young women's fashion), Forever 21, Zara, H&M, Bershka, Adidas, GAP, Apple, Disney Store, Uniqlo, ABC Mart and many others	Charles & Keith, Champion, DESCENTE, XEBIO, GU	USD 307 - 613/ sq ft/ year	1,779 - 16,012 sq ft

Data as of April 2019



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SHOPPING MALLS

GINZA SIX

This world-class redevelopment opened in April 2017. The redevelopment was of epic scale, and involved redeveloping two blocks, including the former Matsuzakaya Department Store and surrounding area. This newly completed mixed-use complex is Ginza's newest and largest of its kind, consisting of retail space, offices, a theater, a tourist information center, and a tour bus bay. It is also home of luxury brands which facing main street including House of Dior, FENDI, Saint Laurent. With 505,903 SQ FT of retail space, it is the largest area of retail in the Ginza area, with 241 tenants (merchandise sales 210, restaurants 24, services 7).

LUMINE SHINJUKU

The Station/Fashion building which directly connected to the world highest traffic Shinjuku station. LUMINE is operated by East Japan Railway Company (JR East) and located major stations in Greater Tokyo. There are three different concept malls in Shinjuku, LUMINE SHINJUKU, LUMINE EST and NeWoMan and it generated approximately USD 910 million in total of the three malls. 20's – 40's female are main target for each mall. Each shop less than 1,000 SQ FT generates high sales performance.

ROPPONGI HILLS

Large-scale commercial complex consisting of a shopping mall, art museum, cinema complex, hotel, residence and office including TV and radio broadcast stations. Located center of Tokyo, and landmark building of Tokyo. Many embassies have been located around the facility which makes international atmosphere with many foreign visitors. Approximately 40 millions visitors per year and have 454,000 SQ FT shopping mall area with over 220 shops.

OMOTESANDO HILLS

Located alongside the Omotesando Boulevard leading toward Meiji Shrine, Omotesando Hills is a commercial complex consisting of a shopping mall, residential space and parking developed by Mori Building from the Dojunkai Aoyama Apartment complex, which was a renowned landmark of Omotesando for many decades. Designed by an internationally acclaimed Japanese architect Tadao Ando, its façade extends approximately 250 meters along the boulevard and has a total floor area of 366,630 SQ FT with over 100 tenants. Omotesando Hills is a unique cultural / commercial complex, emerging as the new face of Omotesando, which has created and disseminated various trends as the hub of Japanese fashion and cultures.

LAZONA KAWASAKI PLAZA

Directly connected to the main terminal of Kawasaki Station, Lazona Kawasaki Plaza attracts visitors from an extensive area and is among the shopping complexes with the highest sales and the largest number of visitors in Japan. Kawasaki station is a major station between Yokohama and Tokyo with approximately 598,000 passengers per day. Since its opening in 2006, Lazona Kawasaki Plaza has seen increasing annual sales, and in 2017, it generated approximately USD 860 million, with approximately 36 million cash register transactions.

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FOOD & BEVERAGE

Tokyo revolves around its food culture – no matter what you are looking for, be it fine French dining or b-class gourmet, such as ramen or tonkatsu, Tokyo has got it.

Whether you are sitting at a quiet table for two at an upmarket restaurant, standing slurping some noodles for a quick lunch or enjoying a drink packed into a corner seat at a cosy Japanese style pub that has been in operation for decades, food is a focal point of life in the city. And like all things produced in Japan, quality is essential.

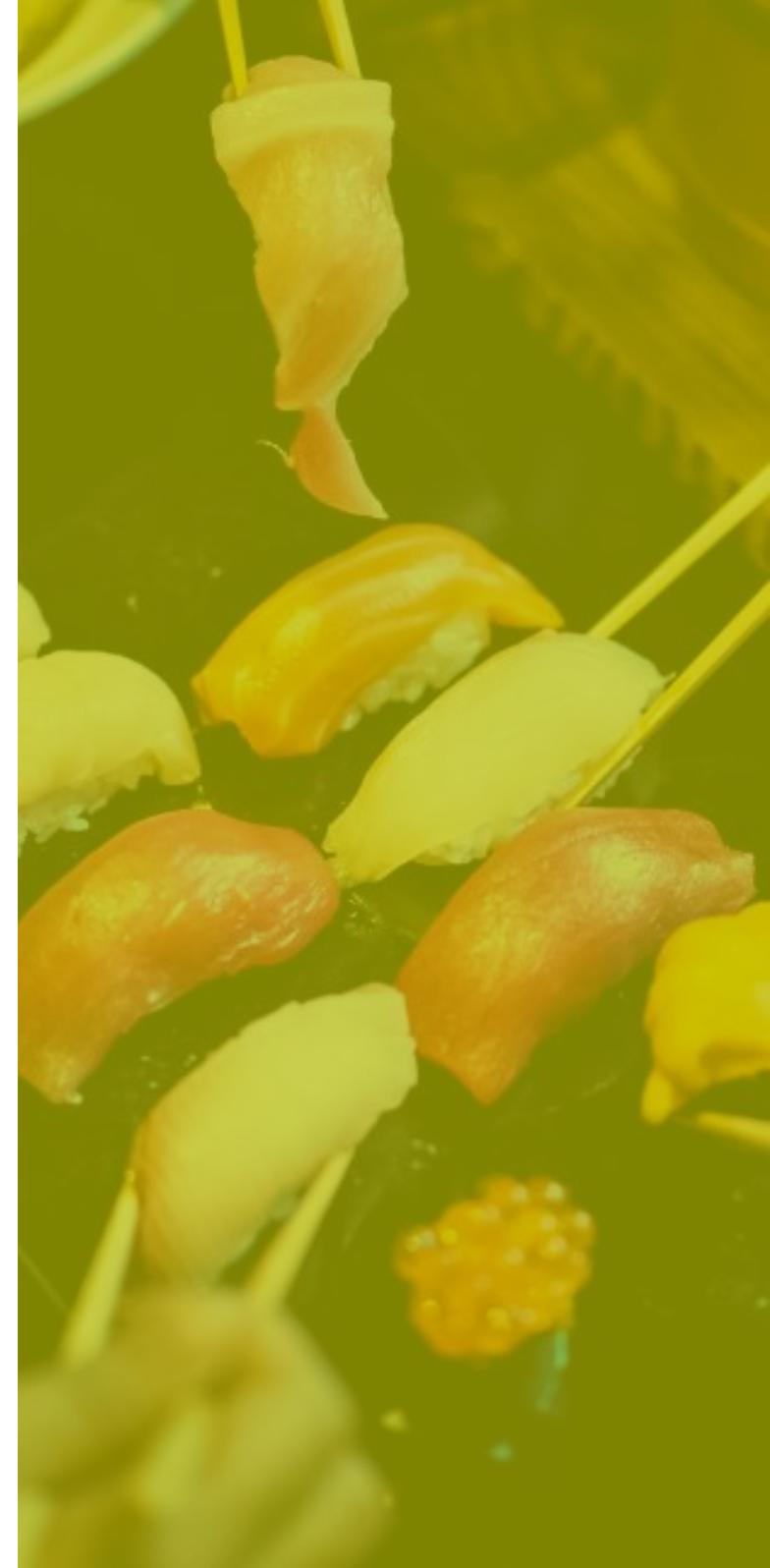
In this spirit, Tokyo has achieved an almost mythical status as a culinary sanctuary that no other metropolis comes close to: Tokyo boasts 230 restaurants with at least one Michelin star and 13 restaurants with the coveted 3 star ranking. Not all of the Michelin star restaurants are expensive, in recent years 3 ramen hot-spots have earned their place in the illustrious guide book.

Restaurateurs finding success are not limited only to local proprietors as international brands are also finding success here. Recently some steak houses made significant debuts in Tokyo such as Benjamin Steakhouse and Morton's The Steakhouse.

Gourmet coffee too has earned a special place in the hearts of Japanese consumers as gourmet focused groups like Dean and DeLuca continue to expand and Blue Bottle Coffee continues to draw crowds. The recent largest news is Starbucks Reserve Roastery that debuted with fanfare in Nakameguro in February 2019. With the onset of the Tokyo Olympics, healthier options are also starting to make their appearance in the form of salad focused fast food restaurants such as Salad Stop from Singapore and French organic frozen food chain Picard.

Tokyo Midtown Hibiya opened in March 2018 with a foodhall concept: more than half of the tenants are cafes and restaurants, including ones that are opening in Japan for the first time.

On the top of these market movements, *Instagrammable* ("Instabae" in Japanese) is also key to Tokyo's current F&B scene, as SNS accounts for a large part of promotion to younger generations. Recent emerging trends include Taiwanese bubble tea and rooftop bars.



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FOOD & BEVERAGE MARKET OVERVIEW

KEY AREAS	CONSUMER PROFILE	FOOD & BEVERAGE OPERATORS	RENT FOR 1,000 SQ FT UNIT
Ginza	Largely made up of higher income individuals and wealthy tourists combined with a contingent of aspirational buyers.	Sukiyabashi Jiro, Ginza Ukai Tei, L'Osier, Tateru Yoshino Ginza, Bistro Ozami, Ginza Dai Shokudo, Din Tai Fung, Mercer Brunch Ginza Terrace, Eggs'n Things, Isola Blu, Dazzle	USD 92 - 307/ sq ft/ year
Shinjuku	Wide range of crowds including shoppers, workers and tourists from outside of Tokyo and overseas.	New York Grill, Shinjuku Nakamura, Takano Fruits Parlor, Nadaman, Sarabeth's, Tsurutontan, Din Tai Fung, Robot restaurant, Golden Gai (over 200 tiny bars and clubs are squeezed into the narrow alleys), Blue Bottle Coffee, Shake Shack, Dean and DeLuca Café, Verve Coffee Roasters, 800 Degrees Neapolitan Pizzeria, Rosemary's Tokyo	USD 92 - 215/ sq ft/ year
Shibuya	Well-known for large crowds of young people and tourists - Shibuya also attracts younger professionals looking for casual dining and night-life.	TGI FRIDAYS, Outback Steakhouse, Legato, Gonpachi, Dean & DeLuca Café, Luke's Lobster, Cityshop Pizza, XIRINGUITO Escriba, Tacobell, FAT Burger, Burger King	USD 92 - 184/ sq ft/ year
Ebisu/ Daikanyama/ Nakameguro	Ebisu is an enclave of trendy and stylish young professionals. Daikanyama and Nakameguro next to Ebisu are also popular for professionals and neighborhood residents.	Shake Shack, Din Tai Fung, Il Boccalone, Sapporo Beer Station, Joel Robuchon, Salt Water by David Myers, Burger King, Lawry's The Prime Rib, Spring Valley Brewery Tokyo, Hacienda Del Cielo, Pizza Salvatore Cuomo, Starbucks Roastery, Blue Bottle Coffee	USD 77 - 153/ sq ft/ year
Roppongi/ Azabu	Upscale restaurants in the Roppongi area are frequented by those in a relatively high disposable income bracket, both domestic and international alike.	Wolfgang Steakhouse, Benjamin Stake House, The Oak Door, Ukai Tei, Obica Mozzarella Bar, Hills Dal Matto, Mori Salvatore Cuomo, Regoletto Bar and Grill, L'atelier de Joel Robuchon, Shake Shack, Dean & DeLuca Café, The Counter, Nirvana New York, Union Square Tokyo, Le Pain Quotidien, Toshi Yoroizuka, Gonpachi	USD 77 - 153/ sq ft/ year
Harajuku/ Omotesando	Popular destination for both local and tourists. Famous for instagrammable sweets and drinks such as tapioca bubble tea among young people.	Bills, Eggs'n Things, Clinton St. Baking Company & Restaurant, ICE Monster, Michalak Paris, Laduree, Pierre Herme Paris, Franze & Evans London, ELLE Café, Alfred Tea, The Alley Lujiaoxiang, Urth Caffè	USD 92 - 215/ sq ft/ year

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WHAT'S NEXT

REDEFINING THE LANGUAGE OF
RETAIL & LEISURE



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