



“Non-Beer” Beverage Bounces Back

Mina Ishiwatari, President of Hoppy Beverage Co., Ltd., holds a bottle of Hoppy at her company's headquarters in Tokyo.
Photo: Satoshi Tanaka

The enterprising granddaughter of the founder of her business has succeeded in reviving the popularity of its main product, which launched almost seventy years ago.

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HOPPY has been around for close to seventy years as a beer-flavored sparkling beverage popular among working-class drinkers at pubs mainly in and around Tokyo. A bottle of Hoppy contains only 0.8 percent alcohol, and it is usually mixed with *shochu*, a distilled spirit.

Around 1920 in Japan, “non-beer” became a very popular drink as a cheap alternative to beer, which was considered a luxury alcoholic drink in those

days. Non-beer drinks were typically made of bitter-flavored soda water with effervescing agents.

Founded in 1905 as Ishiwatari Gorokichi Shoten, a manufacturer of *ramune* soda pop, the manufacturer of Hoppy later changed its name to Hoppy Beverage Co., Ltd. One day, the company received a business offer asking it to produce a non-beer drink, but the offer was turned down because the company's management was more interested in making authentic non-beer drinks with genuine hops.

It was not until 1926 that Hoppy Beverage actually started producing good quality non-beer drinks with an adequate supply of natural hops. Later, in 1948, the company launched production and sales activities for Hoppy. In the postwar years, it became popular for drinkers to enjoy alcoholic beverages mixed with Hoppy because it was difficult for them to find such drinks on the market that were of sufficiently good quality. In later years, as the economy grew and beer became more affordable, Hoppy seemed to be forgotten by consumers.

However, Hoppy has made a comeback in popularity since the early 2000s thanks to the efforts of Mina Ishiwatari, the granddaugh-

ter of the company's founder. She is the only child of Koichi Ishiwatari, the second-generation president of the company.

"I have taken drastic steps to reform the company's business structure in terms of sales strategies and organizational reforms since I became executive vice president in 2003," Ishiwatari says. "I have also experienced a number of unsuccessful results," she adds.

The company saw annual sales triple in the five years after she came on board as executive vice president. She became the president of the company in 2010, and it has achieved annual profit growth of 30% to date.

Fresh out of college, Ishiwatari joined a leading food manufacturer, and she later worked for an advertising agency. One day, she visited a Hoppy manufacturing plant and was strongly impressed.

"Hoppy is usually made with hops and malt fermented by yeast, and this process is similar to making beer. Malt juice seems to be alive during the fermentation because it bubbles quite vigorously while making a certain sound. When I heard that bubbling sound, I was deeply impressed by the natural process undertaken by Hoppy that is similar to giving life," Ishiwatari says.

Ishiwatari joined Hoppy Beverage in 1997 despite her father's opposition. When she joined the firm, however, the employees were all unmotivated, and what disappointed her above all was the fact that none of the employees

had drunk Hoppy.

However, she had strong confidence in the quality of Hoppy at the time because she knew that her father (the second-generation president) had succeeded in making comprehensive improvements to the production process including the selection of raw materials. Given this situation, Ishiwatari set her eyes on the potential of the Internet, which was beginning to take off as a communication tool for customers, and began publicizing Hoppy online. She says, "I began writing an open diary on the Internet with the help of an e-business specialist, with the aim of uploading information on myself in the form of a diary without having topics updated daily in the company."

The diary eventually attracted media attention, and she was offered opportunities to appear on TV programs. She made further efforts to improve Hoppy's brand image with the promotional catch phrase "Hoppy de Happy (Happy with Hoppy)." Hoppy has recently been reborn as a healthy drink with lower calories and sugar than beer, increasingly attracting health-conscious consumers as well as young women who are fascinated by Hoppy's classic-looking bottle design.

Besides working as the president, Ishiwatari attends seminars and graduate courses, seeking to learn cutting-edge comprehensive management methodologies in business and remains focused on human resource development, something she has particularly

emphasized. She uses a tablet PC whenever she is on the move or on business trips. This approach helps her to maintain excellent communication with employees via video conferences.

The introduction of mobile communication devices has enabled employees to work more flexibly. This is particularly helpful for female employees, who represent the majority of the workforce, since even parenting employees have become capable of handling jobs requiring a face-to-face approach. Ishiwatari says, "It is ultimately up to employees to decide how to realize the corporate vision, although a manager draws up the blueprint first. It is extremely important to share passions and visions between management and employees as well as among employees."

As the president of Hoppy Beverage, Ishiwatari says she will "remain focused on addressing the immediate challenges." She has made a lot of efforts with the aim of implementing business reforms based on her experience as a female consumer, workplace improvements for female employees, and changes in the mindset of employees at a company that was once so male-dominated. The company is currently enjoying a comeback, the consequence of the ongoing process of the above-mentioned reforms. The process and steady progress being made reflects the kind of changes taking place in Japanese society as awareness of women's empowerment increases. 