

Japan's Keitai Culture: Galapagos Now!

By Don Fujiwara

Yumiko wakes to the alarm on her cell phone. The charm dangling from her keitai is the likeness of Hello Kitty, and it jangles as Yumiko fumbles to disable her phone's alarm. She strives in vain to stretch away the chill of morning as she begins her day. A day like any other, in which her cell phone, the Japanese term for which is keitai denwa—literally, "hand carry telephone"—will play a large part.

No discourse on evolution would be complete without first mentioning the Galapagos. Recall, how Darwin's Voyage of the Beagle took him to the Galapagos Islands, where Darwin himself observed how isolation led to some rather unique evolution in the local fauna. It is Japan's relative isolation—both geographically and culturally—which prompted Kei Shimada, founder and CEO of market analysis firm Infinita, to call it "the Galapagos of mobile."

As an island nation, Japan is separated from its mainland neighbors by the East China Sea as well as the Sea of Japan, but more important is the over two-hundred years of self-imposed political and social isolation established by the Tokugawa Shogunate in 1603, which ended with the Meiji Restoration of 1868. More than anything else, insularity has shaped the culture and, indeed, evidence of that influence



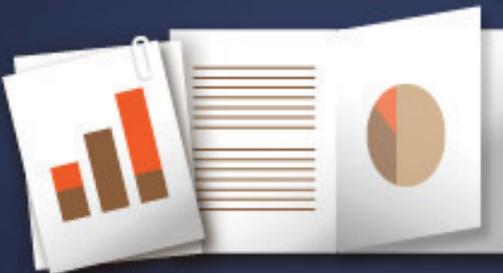
persists even to this day.

One notable outgrowth of Japan's unique ethnography has sprung up around the cell phone. In the so-named "keitai culture" the humble cell is king. For over a decade, feature phones in Japan have filled roles Westerners typically ascribe to PCs. So pervasive are cell phones in the daily lives of Japanese that they have taken on something of a "social appendage" status. Keitai sits at the apex of a love triangle with culture on one corner and technology on the other. These three both influence, and are influenced by, each of the others.

So, what challenges or opportunities does keitai present to Japanese mobile carriers? How do they

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relate to and foster keitai culture, while at the same time, how does keitai influence them? How does that relationship translate to monetization?

Upon casual observation, Japan's mobile landscape features a tableau of prominent players, much like in the States. However, of Japan's top three carriers, NTT DoCoMo enjoys a commanding lead with 55 percent of market share. If Japan is the Galapagos of mobile, then DoCoMo is its Giant Galapagos Tortoise. KDDI's au brand comes in a distant second at 27 percent, trailed by Softbank with 16 percent. Compare this with market shares of the top three in the US—Verizon's 31 percent; AT&T's 25 percent and Sprint's 12 percent. DoCoMo's predominance owes to NTT's former monopoly status, which ended in 1991 with the spin-off of mobile unit DoCoMo. The divide between it and competitors, though considerable, has been closing. An August survey conducted by Nikkei BP found KDDI edging out DoCoMo in overall customer satisfaction. Though DoCoMo led the pack in call quality and area of service, KDDI au ranked significantly higher in cellphone cost and in initial and packet charges, while Softbank ranked slightly higher.

Yumiko buys a can of coffee from a vending machine and pays her train fare using her cell phone. The train pulls in at the station, and Yumiko confluences with the tail end of a stream of rush hour commuters boarding the train. Gone are the days when the rail line hired dedicated Oshi ya—or “pushers”—to physically push commuters into packed railcars. Now, station staff fill that role as rush hour demands. A college student utters quiet apologies as he crams Yumiko forward. A recorded voice pleasantly admonishes passengers to refrain from talking on their cell phones and requests riders set their phones to mana modo—“manners mode” or “silent mode.” Having heard the announcement countless times before, it occupies only a peripheral part of her attention, like the sound of cicadas on a summer night. Standing shoulder to shoulder in the railcar, she is busy looking up reviews on tablet devices, wondering how she could use something so big in such a cramped environment as this. She then picks up where she left off on the keitai shousetsu—cell phone novel—she had been reading. This one is a particularly racy pregnancy romance, which Yumiko devours in 100-word morsels downloaded via SMS.

The phenomenon of the cell phone novel, with its very real real-world implications (in 2007, half of the bestselling novels in Japan were adapted from keitai shousetsu), serves as perhaps the most dramatic

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example of how keitai interrelates with culture, but let's not forget that technology is the third leg in the keitai triangle. Most recently, DoCoMo exhibited some pretty compelling innovations at Japan's mobile trade show CEATEC 2011 back in September. Notably, the company showed off a smartphone device which measures acetone levels in one's breath to gauge the amount of fat burned, presumably in training for one of those punishing Japanese game shows. Also, the company offered up some fancy smartphone covers: one attained a full battery charge in under 10 minutes; others flaunted specialized sensors that detect UV light, body fat content, even bad breath. A prime example of how culture shapes technology is DoCoMo's gamma radiation sensing phone cover, a clear corollary of the Tohoku earthquake of March.

Many features of keitai are now familiar to Westerners, like address books, clock features, calculators and schedulers, digital audio recorders and music and video players. Some are not so familiar, like pedometers and security apps based on fingerprint and face recognition.

Japan's mobile industry and keitai culture have gone hand in hand in innovating cell phone features; some things we take for granted, even features that are just now gaining momentum here, have been around in Japan for ages. Short message service (SMS) first sprang up in Europe in the mid-'90s, but in the early '90s, Japanese were already engaging in a proto-texting via pagers, which used a numeric lingo based on the Japanese words for numbers. Mobile gaming saw mainstream popularity in the early 2000's.

On the mCommerce front, in 2004, DoCoMo introduced Osaifu-keitai—literally “wallet mobile”—a term which encompasses those cell phones outfitted with Sony's Mobile FeliCa RFID smartcards as well as the mCommerce services imparted. Services like electronic identity and loyalty cards. Mobile Suica (an acronym for Super Urban Intelligent Card), launched by DoCoMo and au in 2006, is the railway fare payment service on the Osaifu-keitai system. Launched by DoCoMo in 2004, Cmode is the ePayment service for vending machine purchases.

Also, recall, DoCoMo first launched its 3G network back in 2001; this was the first commercial 3G network in not only Japan, but also the world.

However, most significant to the scope of this writing—with its far-reaching and really unforeseeable consequence—was DoCoMo’s launch of a service it called “i-mode” in February 1999. i-mode is a mobile internet service which allowed users to browse the web. However, it could only browse sites specifically tailored for the i-mode platform, and with the advent of smartphones running “real” browser software, seems to be heading the way of the dinosaur in the larger global scheme. But back then... six months after launch, i-mode had attracted a million customers and, another year after that, served 10 million. As of October of this year, over 51 million Japanese subscribe to i-mode, as do some 5 million people internationally. But, what’s really important

here is that some, DoCoMo included, point to i-mode as the spark that touched off the whole of keitai culture, and with those numbers, they make a pretty strong case for it, too.

Romantic as it may be to attribute the creation of a whole cultural movement directly to a single, simple application, keitai would likely have arisen anyway, with or without i-mode. This notion that DoCoMo somehow breathed life into keitai resonates with primordial soup theories on the origin of life or, alternatively, with the image of Viktor Frankenstein exalting in all his fervor, “It’s alive!” The reality of it—considering the complexity of culture—is likely more Zen in that the relationship between technology and culture is less Frankenstein and monster than it is chicken and the egg. A hardboiled egg. Sliced down the middle and placed atop a steaming bed of ramen.