

Japan's Vending Machine Culture Decline

VOCABULARY WORDS

1. **Vandalism (noun)** /'væn.dəl.ɪ.zəm/: The crime of intentionally damaging property.
Example: Because of low crime, vending machines in Japan rarely face vandalism.
2. **Decline (noun/verb)** /dɪ'klaɪn/: A change to a lower amount or a weaker state.
Example: The number of active machines has seen a steady decline over the decade.
3. **Maintenance (noun)** /'meɪn.tən.əns/: The work needed to keep something in good condition.
Example: High maintenance costs are making the business less profitable.
4. **Modernize (verb)** /'mɒd.ən.aɪz/: To make something use newer ideas or technology.
Example: Companies must modernize their systems to attract younger customers.
5. **Digitize (verb)** /'dɪdʒ.ɪ.taɪz/: To start using digital technology to collect or store data.
Example: Digitizing inventory tracking can help reduce unnecessary travel for restockers.



For decades, Japan has been celebrated as a "vending machine heaven." These machines are a staple of modern convenience, appearing everywhere from high-altitude locations on Mount Fuji to isolated country roads. Because Japan is famous for its safety and low crime rates, operators can place these machines in public spaces without worrying about theft or vandalism. Additionally, since they require no on-site staff and very little physical space, they have traditionally been viewed as a highly efficient way to sell products.

Despite their long-standing popularity, the industry is currently facing a significant period of decline due to economic pressures. Data from the Japan Vending System Manufacturers

Association shows that the number of beverage machines dropped from 2.2 million in 2014 to under 2 million by 2024. Major brands like Coca-Cola are now scaling back their operations. Meanwhile, other companies are exiting the market entirely because they can no longer handle the rising costs of labor and maintenance, especially as consumer habits shift.

One of the primary reasons for this trend is that Japanese consumers are becoming more price-conscious. While the cost of living has risen recently, salaries have largely remained stagnant, forcing people to find ways to cut their daily spending. Vending machines are often the first to be ignored because their prices are significantly higher than those found in supermarkets. In many cases, a person can buy the exact same bottled tea or coffee for half the price at a local grocery store compared to a machine.

To survive this decline, companies are looking for ways to modernize their technology. By digitizing their machines, operators can monitor stock levels in real-time, which reduces the labor costs associated with manual checks. Furthermore, adopting cashless payment systems is becoming essential. A recent survey in Tokyo revealed that over half of potential customers decided not to buy a drink simply because they couldn't pay with a card or a mobile app. Modernizing these features may be the only way to keep the culture alive.

DISCUSSION

1. How often do you use vending machines compared to convenience stores?
2. Do you agree that vending machines are a symbol of Japanese culture? Why?
3. In your opinion, is the price difference between a machine and a supermarket fair?
4. How has the "cashless" trend changed the way you shop in your city?
5. What other products (besides drinks) would make a vending machine successful today?
6. If maintenance costs continue to rise, do you think vending machines will eventually disappear?
7. Do you think a "virtual clerk" or a screen on a vending machine would make you want to use it more?
8. Why do you think people in Japan are more likely to respect vending machines than people in other countries?
9. How can a business balance the need to raise prices with the fact that salaries are staying low?
10. If you were a manager at a beverage company, what strategy would you use to save the vending machine business?