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Fast Retailing Future Business Outlook

Tadashi Yanai
Chairman, President & CEO of Fast Retailing Co., Ltd.



Hello. I am Tadashi Yanai.

You have just heard details regarding our corporate performance for the first half of FY2023 from our CFO, Takashi Okazaki. Next, I will speak primarily about our approach to our management practices going forward, as well as about what we consider to be most important right now for Fast Retailing, and the policies that we are currently in the process of implementing.

The 4th Frontier :

Challenge, Take Action, Achieve

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In the post COVID-19 era, the world is facing a great transformation. If we are to become a truly global brand, now is the time to act. That is why we have selected “The 4th Frontier: Challenge, Take Action, Achieve” as the slogan for our 2023 guiding principle.

UNIQLO was established in 1984 when we opened our first store in Hiroshima City. That was our 1st frontier.

Since opening our first overseas store in London in 2001, our international development experienced a string of setbacks. Then, in 2005, we opened our first successful overseas store in Hong Kong, which proved to be a watershed for our global growth. 2005 is therefore our 2nd frontier.

Our 3rd frontier began in 2013 with the establishment of our LifeWear “ultimate everyday clothing” concept, through which we set out to challenge and change conventional wisdom in the apparel industry.

Becoming the world's top global brand

Now, we are entering our 4th frontier: to become a true global player that delivers products capable of satisfying all customers worldwide. We will become a trusted brand for people everywhere in the world, based on the premise that “buying UNIQLO clothes is a reliable option.” Further, we aim to follow the same process for all our Fast Retailing Group brands, and are serious about becoming the number one most-loved brand in the world.

Aiming for 10 trillion yen in revenue

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We expect to achieve consolidated revenue of 2.6800 trillion yen in FY2023. That figure is expected to rise to roughly 3 trillion yen in FY2024. Next, we intend to accelerate growth by targeting revenue of 10 trillion yen. If you scrutinize our growth process over the past 20 years, you can see that sales have tripled every ten years: revenue totaled approximately 300 billion yen in 2000, 1 trillion yen in 2013, and now we are aiming for 3 trillion yen in 2024.

We have always set our own ideals and challenging targets. We then plan backwards from our desired goals; deciding how best to fulfill our targets, and then acting on those decisions. Based on that approach, our current aim is to more than triple our revenue over the next 10 years and reach 10 trillion yen.

Transforming into an unprecedented digital consumer retailing company

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To do this, we are aiming to evolve into an unprecedented, entirely new digital consumer retailing company.

Our transformative Ariake Project that we have been pursuing since 2016 is designed to help do just that. We are building a business framework that ensures information and products coincide by discovering customer needs, and swiftly turn that information into commercial products to be produced and sold and ultimately become the subject of renewed customer feedback. This kind of digital consumer retailing industry represents an entirely new business format that strives to commercialize information in real time around the world.

Inspired by this very approach, our Ariake Project is steadily yielding results and we can now visualize the path towards becoming a truly global brand more clearly. Our LifeWear philosophy, which focuses on the pursuit of truly good products, is currently gaining support and evoking strong empathy among customers worldwide.

Conducting a business that resonates with people's values

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For instance, in the United States we went through a long process of trial and error, before breaking away from the business model that sought to appeal to customers primarily on price. Instead, we earnestly and repeatedly conveyed the merits of LifeWear by explaining how “LifeWear enriches people’s daily lives”, and that LifeWear clothes are “ultimate everyday clothes inspired by the careful consideration of people’s everyday needs.” We then pursued a business model that encouraged people to empathize with the value and merits of our clothing as products.

As for our employees, we repeatedly ask them essential questions such as “why are we in this market?” and “who are we?” We have worked hard to ensure all our employees are aware of the significance of our brand in their daily work, and to ensure the thorough provision of our products and services. Thanks to these efforts, the popularity and visibility of Fast Retailing and the UNIQLO brand has improved considerably.

“Global is local. Local is global”

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The driving force behind our success is our ability to combine global and local strengths in frontline operations, and our determination to constantly reform our business processes. We have now entered the true implementation stage of our “Global is local. Local is global” approach.

Individual teams at UNIQLO operations around the world, together with global headquarters, focus on developing core products based on customer feedback. This enables us to create items for which there is a local need, and products that are created locally but can be sold globally. Having strengthened global marketing, this strategy is already generating some great results, such as with our T-shirt, fleece, and AIRism soft leggings ranges.

Further strengthening local store management on a global scale

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The same can be said about store management. Our strategy focuses on coordinating locally-managed stores to develop global chain management. Each individual store strives to solve its own specific issues, while members of global headquarters are always visiting local stores to help local staff overcome challenges. We plan to create a framework in which all stores worldwide and across our entire supply chain – spanning product planning through manufacturing, distribution, and retail – are directly linked, enabling us to solve key issues.

Combining our global and local strengths

All issues cannot be solved by one market alone. Instead, overcoming challenges requires the application of global wisdom and action. By combining global and local strengths, we can be a great force. That is the kind of company that Fast Retailing is, and it is the momentum driving our 4th Frontier. It is the source of our future growth.

Strengthening our human capital investment around the world

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To combine our global and local strengths, we must move away from a management system that is directed primarily by Japanese personnel, and create a framework that encourages global personnel to take active roles as managers and professionals. We will therefore strengthen our investment in the recruitment and training of human resources, encourage the active transfer of personnel between regions, and nurture employees who are able to approach management roles from a global perspective.

We started work on these initiatives from an early stage, so they are now already bearing fruit. In Europe, for example, we have COOs who hail from Europe and are responsible for executing business in individual markets, having originally joined the company as new graduates. They are being rotated across Europe and developing their careers. Our European headquarters in London and global headquarters are working together to create the appropriate frameworks for solving daily issues. The challenge going forward will be to expand this approach to other areas, such as production and distribution, and to implement it across Europe.

Nurturing world-class human resources

We have been reviewing our remuneration levels worldwide to strengthen our competitiveness and potential growth at the global level. Our decision to revise wages in Japan that we announced in January is part of this global drive. In addition to increasing hourly wages for part-time and temporary workers last year, we are offering opportunities for further growth to personnel who can work on the global stage, and a level of remuneration that is commensurate with those skills.

LifeWear: Giving high priority to sustainability

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In our future business activities, delivering LifeWear clothing to even more customers will help enrich people's lives and society at large. People also expect us to fulfill our sustainability aims through our business activities.

From that perspective, we are promoting the use of recycled materials and other materials that emit fewer greenhouse gases. We are steadily working toward our goal of increasing the percentage of recycled materials used in our products to 50% by FY2030. With specific reference to polyester materials, recycled polyester already accounts for 16% of all polyester used.

We are also working towards our target of using 100% renewable electricity by FY2030. In fact, our UNIQLO operations in Europe, North America, Vietnam, Indonesia, and Thailand had already achieved 100% renewable energy usage by the end of August 2022.



初回リリースでは安藤忠雄氏、村上春樹氏と著名な方がデザインしたTシャツには、アダム・スコット選手、クリストフ・ルメール氏など10名の著名人がデザインしたTシャツが新たに追加、2022年12月時点で、計206名がデザインしたTシャツが販売されています。

The PEACE FOR ALL charity T-shirt project we launched in June 2022 is earning the support of customers worldwide, and is steadily expanding.

Five new collaborators will join the campaign in the latter part of April, and by then we will be selling a total of 25 T-shirt designs. By the end of February 2023, the project had sold over 1 million t-shirts, generating proceeds of over 320 million yen. The proceeds are donated to three organizations: the UNHCR (the UN refugee agency), Save the Children, and Plan International.

We will continue to actively recruit collaborators who support the project and cooperate on the production of charity T-shirts, while continuing to promote our PEACE FOR ALL efforts worldwide.

Becoming the most customer-supported company in the world

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Our mission is to provide LifeWear “clothing infrastructure” to people all around the world, which will enable them to achieve a more comfortable and higher standard of everyday living. Fast Retailing is the only company in the world that has such a clear philosophy and is taking such clear action.

We have many like-minded partners with top-class technological prowess. We are currently in the best position to become the company with the strongest customer support base in the world.

Going forward, we will continue to strive to meet the needs of customers worldwide and to realize a more peaceful and prosperous world through our clothing business.

I hope we can count on your continued support. Thank you for listening today.

