

# **Global Innovation Driven by Japanese Entrepreneurs: Lessons from the U.S. and U.K. Ecosystems**

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**Abstract**

This paper analyzes the key factors contributing to the success of Japanese entrepreneurs in global markets, focusing on case studies of Glasp Inc. in the United States and Pointblank Promotions Ltd. in the United Kingdom. While Japan has been leading in manufacturing and technological frontiers, it lags behind other advanced nations in the commercialization of innovation and creation of new business, especially in the digital sector. Factors such as strict regulations and a risk-averse corporate culture hinder entrepreneurship and innovation in Japan.

Glasp leveraged the rich resources and networking opportunities of Silicon Valley to establish a knowledge-sharing platform, growing rapidly through support from accelerators and a risk-tolerant culture. Pointblank Promotions Ltd., on the other hand, successfully localized Japanese products for the U.K. market by integrating visual design and storytelling, appealing to U.K. consumers' preferences for ethical consumption and environmental consciousness.

The success of both companies demonstrates the importance of utilizing local business ecosystems, adapting to local cultural and market conditions, and embracing a mindset open to learning from failure. This paper concludes that Japanese entrepreneurs can enhance their competitiveness in global markets by adopting flexible, innovative strategies and actively engaging in international ecosystems.

## 1. Introduction

Japan has been a global leader in science, technology, and manufacturing over the past few decades. However, in recent years, particularly in terms of commercializing innovation and creating new businesses, it has lagged behind other advanced countries. This phenomenon is clearly reflected in the declining competitiveness of Japanese companies and their shrinking presence in global markets, especially in the digital sector. In the 1980s, during the "Made in Japan" era, Japanese products had a significant influence in global markets, but today, the country struggles to keep pace with the digital transformation.

Several institutional and cultural factors have been cited as reasons for Japan's underperformance in innovation compared to other countries. First, strict regulations and financial practices make it difficult to launch startups, hindering the commercialization of innovation. Second, Japanese corporate culture emphasizes stability and is characterized by long working hours, which stifles entrepreneurial spirit. These cultural factors make it difficult for innovative business ideas to flourish.

In contrast, advanced nations such as the United States and the United Kingdom have numerous examples of startups rapidly growing by leveraging business ecosystems. Notably, Silicon Valley in the United States has all the elements needed to accelerate innovation, including support from investors and mentors, accelerators, and abundant funding opportunities. Additionally, London in the United Kingdom has succeeded in leveraging its cultural diversity for marketing strategies, particularly in the promotion of Japanese goods using unique methods.

This paper analyzes the factors contributing to the success of Japanese entrepreneurs who have led global innovations in overseas markets, focusing on the case studies of Glasp Inc. in the United States and Pointblank Promotions Ltd. in the United Kingdom. By examining how these Japanese entrepreneurs succeeded in their respective markets, and considering the challenges in Japan's business ecosystem, this paper aims to clarify the elements necessary for success in global markets.

## 2. Theoretical Framework of Business Ecosystems

A business ecosystem refers to an environment where resources and support necessary for companies to innovate and achieve sustainable growth are concentrated. Spigel (2017) defines a business ecosystem as "a geographically bounded collection of elements that support high-growth startups," including financial resources, human capital, policy support, and cultural factors (Ashizawa & Watanabe, 2019, p.88). In advanced regions like Silicon Valley and London, ecosystems that enable startups to grow rapidly have been established, making these regions hubs of innovation.

Silicon Valley, in particular, is an ideal ecosystem for tech startups. Here, investors and accelerators provide funding, mentoring, and networking opportunities. Startups can leverage these resources to acquire the knowledge and assets needed for growth. Furthermore, Silicon Valley's culture encourages risk-taking and tolerates failure, making it easier for entrepreneurs to execute bold business ideas. This notion of "failure as a step toward success" is in stark contrast to Japan's business culture.

On the other hand, London is known not only as a financial center but also as a global city where multiple cultures intersect. In London, marketing strategies based on diverse consumer needs and cultural backgrounds are crucial. Especially in terms of localization,

it is essential to offer products and services tailored to the target market. In London, understanding the local culture and consumer needs, and promoting products accordingly, is key to success.

In Japan, the development of business ecosystems lags behind that of other countries. Domestically, high levels of regulation, difficulties in securing funding from financial institutions, and a societal tendency toward risk aversion hinder the growth of entrepreneurial spirit. Therefore, Japanese startups need to look beyond the domestic market and seek growth opportunities in overseas markets. Leveraging business ecosystems like those in the U.S. and the U.K. is crucial for fostering Japanese-led global innovation.

### **3. Case Studies**

#### **● U.S. Case: Glasp Inc.**

Glasp Inc. is a startup founded in 2021 California, offering a knowledge-sharing platform that organizes and shares information available on the internet. The company's goal is to systematically organize the vast amount of information scattered across the internet, creating a "digital legacy" accessible to everyone. Glasp's product can be added as a browser extension to tools like Google Chrome, allowing users to highlight important information on web pages and share it with others.

#### ***(1) Founding Background and Growth Strategy***

Founder Ryotaka Nakayashiki initially built his career in the field of chemistry, but after facing an illness at the age of 20, he developed a strong desire to create something useful for society. He later decided to establish a startup in the U.S., drawn to the abundant resources and networking opportunities in Silicon Valley. In the U.S., connections with investors and mentors are crucial for startup growth, and Glasp benefited from this ecosystem.

Glasp participated in the Silicon Valley accelerator "On Deck," gaining opportunities for fundraising and networking. This program is designed to support startup growth, and Glasp achieved rapid growth through its support. On Deck provides startups with feedback from mentors and training to improve their business models and effectively pitch to investors. Glasp successfully raised funds through this program, laying the foundation for further growth.

#### ***(2) Technological Innovation and Competitiveness***

Glasp's technical strengths lie in its simple, user-friendly interface and powerful information organization features. Users can highlight parts of web pages that interest them, save these highlights, and share them with others. This feature is especially valuable for researchers, business professionals, and others who need to efficiently manage large amounts of information. Glasp also quickly incorporates user feedback and regularly updates its product, enhancing customer satisfaction.

Additionally, Glasp focuses on building a user community where users share information and enrich their collective knowledge. This community fosters loyalty to Glasp's services and strengthens its competitiveness. Furthermore, by accumulating knowledge shared among users, the platform evolves, creating a virtuous cycle.

### ***(3) Competitive Advantage in the U.S. Market***

The U.S. market, particularly Silicon Valley, is a highly competitive environment for startups. However, for innovative companies like Glasp, numerous growth opportunities exist. Silicon Valley is rich in accelerators and venture capital support, which Glasp tapped into. Moreover, Silicon Valley's business culture encourages risk-taking without fear of failure, a factor that has supported Glasp's growth.

Furthermore, Glasp plans to expand beyond the U.S. market, targeting Japan as a next step. When entering the Japanese market, the company intends to leverage its experience and knowledge gained in Silicon Valley, while adapting its services to Japanese culture and business practices. In this way, Glasp is advancing its global expansion based on its success in the U.S.

### ***(4) Glasp's Global Expansion***

Building on its success in the U.S. market, Glasp is moving forward with its expansion into the Japanese market. Its knowledge-sharing platform, aimed at both individual users and corporate clients, is expected to meet the growing demand for knowledge management in Japan. In particular, as remote work continues to spread, the need for efficient information sharing and management within companies is increasing rapidly, and Glasp's service has evolved to meet this demand.

In the Japanese market, cultural differences and distinct business practices require a localized strategy. Specifically, the company has focused on enhancing features tailored to Japan's corporate culture, strengthening its Japanese-language capabilities, and partnering with local companies to build trust. As a result, Glasp is positioning itself not merely as a technology provider but as a partner in solving challenges faced by Japanese companies.

Moreover, Glasp is also eyeing expansion across Asia. Particularly in countries where the information technology sector is growing rapidly, Glasp's platform holds the potential to play an essential role. By continuing to adapt to the needs of each local market, Glasp aims for global growth, leveraging its U.S. success as a foundation.

### ***(5) Factors for Success in the U.S. Market***

One of the key reasons for Glasp's success in the U.S. market was its ability to fully utilize Silicon Valley's highly developed business ecosystem. Silicon Valley offers abundant support for startups, particularly in terms of access to funding and networking opportunities. Within this ecosystem, startups can quickly access the resources necessary for growth, and Glasp was able to leverage this environment to achieve rapid growth.

The company also received support from the accelerator "On Deck," through which it established many connections with investors and mentors. For startups, obtaining relevant advice and securing funding opportunities are critical to success. By utilizing the support provided by this program, Glasp was able to raise funds and lay a solid foundation for further growth.

Additionally, the cultural characteristics of Silicon Valley also contributed to Glasp's success. The region embraces a culture of risk-taking and encourages entrepreneurs to experiment with bold ideas, while allowing for rapid feedback and continuous improvement. Glasp embraced this culture, advancing its product development with an iterative approach.

### ***(6) Differentiation from Competitors***

In the information-sharing platform market many competitors exist, but Glasp has managed to establish a unique position. Notably, its simple, intuitive user interface and powerful highlighting function have been highly appreciated, enabling users to efficiently manage critical information. Furthermore, Glasp has fostered a community that encourages knowledge sharing among users, which sets it apart from other services. While other competitors mainly focus on data storage and document management, Glasp specializes in organizing and sharing information. This approach has particularly resonated with researchers, scholars, and business professionals, offering an efficient solution for knowledge management. Additionally, by placing great importance on user feedback and continuously improving the product, Glasp has been able to consistently enhance the user experience.

### **● U.K. Case: Pointblank Promotions Ltd.**

Pointblank Promotions Ltd. is a promotional company founded in London in 2015. The founder, Rie Crowley, has developed a unique promotional method to introduce Japanese products into the U.K. market, achieving significant success. The company uses a combination of visual design and storytelling to effectively promote Japanese products and services to U.K. consumers.

#### ***(1) Founding Background and Growth Strategy***

Crowley's decision to establish Pointblank Promotions . was motivated by the unique challenges she observed when promoting Japanese products in Western markets. In her experience, many Japanese companies struggled to adapt their branding and marketing strategies to appeal to Western consumers, often failing to convey the cultural and historical value of their products. Recognizing this gap, she sought to use her skills in design and marketing to create a platform that would allow Japanese businesses to successfully enter the U.K. market.

Upon moving to London, Crowley found herself in a vibrant and highly networked business environment that provided numerous opportunities for entrepreneurs to connect, learn, and grow. The London business ecosystem, characterized by its diversity and innovation, played a crucial role in Crowley's success. Through this ecosystem, she gained access to a wide range of resources, including mentorship programs, industry events, and collaborative networks. These connections allowed her to refine her approach, tailoring her promotional strategies to meet the needs of the local market while preserving the cultural authenticity of the products she represented. By engaging in continuous learning and networking within this ecosystem, Crowley was able to build a growth strategy that combined Japanese craftsmanship with Western marketing sensibilities.

#### ***(2) Technological Innovation and Competitiveness***

Pointblank Promotions .'s success can be attributed in part to its adoption of innovative technologies and its ability to integrate modern digital marketing tools into its promotional campaigns. Crowley utilized the latest advancements in visual communication, including digital platforms, video production, and graphic design software, to create engaging

promotional materials that resonated with a wide audience. In particular, her use of interactive digital media allowed her to showcase the craftsmanship and artistry behind the Japanese products she promoted, bringing their unique cultural elements to life in a way that Western consumers could appreciate.

Through her connections in London's creative and technological industries, Crowley was able to stay at the forefront of marketing trends and ensure that her promotional strategies remained cutting-edge. She worked closely with designers, filmmakers, and digital marketers to create content that not only highlighted the aesthetic qualities of the products but also told the stories of their creation, thus fostering a deeper emotional connection between the products and consumers. This focus on storytelling, combined with technological innovation, positioned Pointblank Promotions as a leader in the niche market of Japanese product promotion in the U.K. The company's ability to continuously integrate feedback and update its promotional approaches contributed significantly to its competitive edge.

### ***(3) Competitive Advantage in the U.K. Market***

The U.K. market, particularly London, is characterized by its diversity and its emphasis on ethical consumption and sustainability. Crowley recognized early on that these values would be critical to the success of her business and made a concerted effort to align her promotional strategies with the preferences of British consumers. For example, when promoting traditional Japanese crafts and artisanal products, she highlighted the sustainable practices and environmental consciousness embedded in the manufacturing processes. By emphasizing the ethical production methods of the products she promoted, Crowley was able to tap into a growing consumer demand for transparency and sustainability.

In addition to aligning her strategies with local values, Crowley also capitalized on the extensive networking opportunities provided by London's business ecosystem. She regularly attended industry conferences, startup events, and seminars that brought together entrepreneurs, investors, and industry leaders from various sectors. These events provided her with valuable insights into consumer behavior, market trends, and best practices, all of which she integrated into her business model. The knowledge she gained from these interactions allowed her to anticipate changes in the market and adapt her strategies accordingly, thus maintaining her competitive advantage.

### ***(4) Pointblank Promotions' Global Expansion***

While Pointblank Promotions initially focused on the U.K. market, Crowley has always had a vision for global expansion. The business ecosystem in London, with its strong international connections and global outlook, provided her with the platform she needed to begin exploring new markets beyond the U.K. Through her network of contacts in London, she was able to establish relationships with potential clients and collaborators in Europe and Asia, setting the stage for future expansion.

One of the key factors enabling this expansion has been Crowley's ability to adapt her promotional strategies to the specific characteristics of each market. In Japan, for example, she has worked with local businesses to refine their branding in a way that appeals to Western consumers, while retaining the essence of Japanese culture. In Europe, she has tailored her campaigns to emphasize sustainability and ethical production, in line with the

values of European consumers. As Pointblank Promotions continues to grow, Crowley plans to further leverage the global reach of London's business ecosystem, viewing it as a launching pad for her company's international ventures.

#### ***(5) Factors for Success in the U.K. Market***

Several key factors have contributed to the success of Pointblank Promotions in the U.K. market. First and foremost is Crowley's ability to leverage London's business ecosystem build a strong network of industry contacts. These connections have provided her with valuable opportunities for collaboration, mentorship, and feedback, all of which have been instrumental in refining her business strategies. In addition, her deep understanding of both Japanese and British cultures has enabled her to bridge the gap between the two, creating promotional campaigns that resonate with British consumers while preserving the cultural integrity of the products she promotes.

Another important factor is her focus on sustainability and ethical consumption. By aligning her promotional strategies with the values of British consumers, Crowley has been able to tap into a growing market for ethical and sustainable products. This has not only enhanced the appeal of the products she promotes, but has also positioned Pointblank Promotions as a socially responsible company, further increasing its credibility and market presence.

Finally, Crowley's commitment to continuous learning and adaptation has been critical to her company's success. By staying informed about the latest trends and developments in the marketing and promotional industries, she has been able to keep Pointblank Promotions at the forefront of innovation. This willingness to evolve and adapt has allowed her to stay ahead of competitors and maintain a competitive edge in a rapidly changing market.

#### **(6) Differentiation from Competitors**

Pointblank Promotions distinguishes itself from competitors through its unique combination of cultural storytelling, visual design, and ethical branding. While many promotional companies focus primarily on product features or functionality, Pointblank Promotions goes beyond that by creating a narrative around each product, highlighting its cultural significance and the craftsmanship behind it. This approach resonates particularly well with U.K. consumers seeking products with meaning and a story

Furthermore, the relationships Crowley has built within the creative industries in London have enabled her to consistently innovate and push the boundaries of traditional promotional strategies. By working with top designers, filmmakers, and digital marketers, she has been able to create visually stunning campaigns that capture the attention of consumers and differentiate her clients' products from the competition. This focus on creativity and innovation, combined with her ability to adapt to market trends, has made Pointblank Promotions a standout player in the field of Japanese product promotion.

### **4. Global Innovation Driven by Japanese Entrepreneurs**

Several key factors have been identified as essential for Japanese companies to remain competitive and drive innovation in global markets. In particular, strict regulations, a risk-averse culture, and difficulties in securing funding have been emphasized as obstacles to



fostering innovation domestically. Overcoming these domestic constraints and succeeding in global markets requires leveraging local business ecosystems and absorbing local knowledge through networking and learning (Yoshida, 2020).

### ***(1) Differences in Domestic and International Business Ecosystems***

The cases of Glasp Inc. and Pointblank Promotions . clearly demonstrate the significant differences between Japan's entrepreneurial environment and the ecosystems in the U.S. and the U.K. In Japan, support for the growth of startups is limited, and it is especially challenging for startups to secure sufficient funding and resources in the early stages. According to the Global Entrepreneurship Research Association (2022), stringent regulations and conservative lending practices by banks are major factors hindering the development of entrepreneurial spirit in Japan.

In contrast, the U.S. and the U.K. provide ample support for startups. Glasp Inc. leveraged the Silicon Valley accelerator "On Deck" to raise funds and achieve rapid growth. Furthermore, Silicon Valley's culture, which views failure as a part of success and encourages risk-taking, has created an environment conducive to executing bold business ideas. This cultural factor also contributed to Glasp's success.

Pointblank Promotions . similarly leveraged the business ecosystem in London to promote Japanese products. The U.K. market is characterized by diverse cultural backgrounds and consumer preferences, requiring a localized strategy to succeed. Crowley adopted a promotional approach that combined visual design and storytelling, which resonated with U.K. consumers. A key reason for the success of this strategy was the effective use of the business ecosystem in London, a city where multiple cultures intersect.

### ***(2) Challenges and Opportunities in Expanding into Global Markets***

For Japanese companies to succeed in global markets, it is crucial to understand the differences between domestic and international business ecosystems and to adapt accordingly. Glasp leveraged the abundant networking opportunities in Silicon Valley to achieve rapid growth. However, to capitalize on this success for global expansion, the company needed to adopt strategies tailored to the characteristics of each market. Particularly in the Japanese market, where the cultural background and business practices differ from those in the U.S., localization was essential.

Similarly, Pointblank Promotions . placed great emphasis on cultural adaptation when introducing Japanese products into the U.K. market. U.K. consumers tend to value not only the quality of products but also the stories behind them and the environmental considerations involved. Crowley incorporated these elements into her promotional campaigns, successfully gaining consumer empathy. This kind of cultural adaptation is a critical factor for Japanese companies seeking to increase their competitiveness in global markets.

### ***(3) The Importance of Networking and Learning***

Yoshida (2024) emphasizes that networking and continuous learning play vital roles in the success of companies in global markets. By connecting with local business communities and learning from local knowledge and market characteristics, companies can enhance their ability to adapt to different markets.

Both Glasp and Pointblank Promotions successfully leveraged local business ecosystems and built networks with other startups and investors. Moreover, the willingness to learn from failure is essential for success. For instance, Glasp thrived in Silicon Valley's culture of encouraging risk-taking, using trial and error to continuously improve its product. The idea that failure is a stepping stone to success provides valuable insights for Japanese companies looking to adopt a more risk-tolerant approach. Likewise, Pointblank Promotions Ltd. went through a process of trial and error while adapting Japanese products to the U.K. market, ultimately finding the optimal promotional strategy.

#### ***(4) Summary of Success Factors in Global Markets***

The cases of Glasp and Pointblank Promotions Ltd. offer valuable lessons on how Japanese companies can succeed in global markets. First, fully utilizing local business ecosystems is a critical factor for growth. Advanced ecosystems like Silicon Valley in the U.S. and London in the U.K. provide startups with essential resources such as funding and networking opportunities.

Second, cultural adaptation and localization strategies are key to success. By adopting strategies tailored to the needs and cultures of each market, companies can enhance their competitiveness. Moreover, having a risk-taking mindset and learning from failure are crucial factors that drive business growth. Glasp embraced Silicon Valley's culture of accepting failure and used trial and error to continuously improve its products. Pointblank Promotions . also succeeded in introducing Japanese products to the U.K. market by continually adapting its approach to meet local cultural expectations.

These cases demonstrate that adaptability, networking, and a learning mindset are essential for success in global markets.

## **5. Conclusion**

This paper has examined the factors contributing to the success of Japanese entrepreneurs in creating global innovations by focusing on the case studies of Glasp in the U.S. and Pointblank Promotions Ltd. in the U.K. The founders of these companies succeeded by leveraging the business ecosystems of their respective markets, employing adaptive and flexible strategies.

These case studies highlight the importance of localization strategies tailored to local cultures and markets, as well as the value of a mindset that embraces challenges without fear of failure. Additionally, networking and continuous learning played a critical role in their success in global markets.

For Japanese entrepreneurs to succeed globally, they must overcome the constraints of the domestic market, actively leverage overseas ecosystems, and continuously absorb local knowledge. In particular, maintaining a risk-taking attitude and a willingness to learn from failure will be key factors in enhancing competitiveness on the global stage.

Moving forward, Japanese companies will need to continue adopting flexible and innovative to achieve greater success in global markets, as demonstrated by the examples of Glasp and Pointblank Promotions .

Disclaimer: The views and opinions expressed in this paper are those of the authors and do not necessarily reflect the views or positions of any entities they represent.

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