Hearing Aid Market in Japan

Masaki Ikeda
Training Manager
Starkey Japan
Yokohama, Japan
Hearing Aid Market in Japan

Japanese Hearing Loss Population
14 million people
127 million total population
11% Hearing Loss Rate
Very Limited Coverage
Hearing Aid Market in Japan

OTC Hearing Aids Sold in 7,651 Shops
14 million people with Hearing Loss
1,830 Hearing Impaired/OTC Shop

Internet and Mail-Order Sales Also Available
Hearing Aid Distribution Channel

- Hearing Aid Center: 49%
- Optical Shop: 13%
- Hospital / Clinic: 12%
- Internet: 7%
- Mail order: 12%
- Electric shop: 13%
- Administration: 14%
- Other: 2%

(JapanTrak 2015)
Overall satisfaction

<table>
<thead>
<tr>
<th></th>
<th>France</th>
<th>UK</th>
<th>Germany</th>
<th>US</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>80%</td>
<td>72%</td>
<td>77%</td>
<td>74% (2008)</td>
<td>36%</td>
</tr>
<tr>
<td>satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2012</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Overall</td>
<td>84%</td>
<td>70%</td>
<td>77%</td>
<td>81% (2014)</td>
<td>39%</td>
</tr>
<tr>
<td>satisfaction</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>2015</td>
<td></td>
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Very Low Satisfaction Rates
## Hearing Aid adoption rates

<table>
<thead>
<tr>
<th>Country</th>
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<th>UK</th>
<th>USA</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adoption rates %</td>
<td>30.4</td>
<td>34.0</td>
<td>41.1</td>
<td>30.2</td>
<td><strong>13.5</strong></td>
</tr>
</tbody>
</table>

Adoption rate = Percent of people with self-reported hearing loss who use HA’s
Top 10 reasons for not having a hearing aid

1. Uncomfortable
2. They do not restore your hearing to normal
3. Hearing loss not severe enough
4. They do not work well in noisy situations
5. Hear well enough in most situations
6. Have hearing loss only with low frequency sounds
7. Would be embarrassed to wear a hearing aid
8. Cannot afford a hearing aid
9. Have tinnitus (ringing in ears)
10. Have hearing loss only with high pitch sounds

Base: non owners Top 50% HL: n=208
Binaural fitting rates

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>Binaural rate %</td>
<td>70</td>
<td>75</td>
<td>61</td>
<td>72</td>
<td>46</td>
</tr>
</tbody>
</table>

Satisfaction Rates

Wear hearing aids in both ears (n=174)

- 5% very dissatisfied
- 14% dissatisfied
- 17% somewhat dissatisfied
- 22% somewhat satisfied
- 22% satisfied
- 2% very satisfied

46%

Wear hearing aids in one ear (n=242)

- 5% very dissatisfied
- 6% dissatisfied
- 23% somewhat dissatisfied
- 22% somewhat satisfied
- 11% satisfied
- 1% very satisfied

34%
Overall satisfaction with HA increased from 36% to 39%. JapanTrak 2012 caused alarm and new focus on professionalism.
Same technology trend as US/Europe

- ITE rate decreasing every year.
- BTE trend up every year
Hearing Aids and PSAPs

- We can’t be sure all respondents actually have hearing aids – some may have PSAPs

- People are confused: consider PSAPs and OTC hearing aids “the same thing” = giving hearing aids a bad name.
Retail price trend: Low

- 23.7% less than 880$
- 42.0% between 880-1,760$
- 22.9% between 1,760 – 2,640$

Suggested retail price by Units:
Total 534,670
Surveillance period: 2015/Jan. to Dec. by JHIMA

Exchange rate: .0088 Yen/$
## Three models

<table>
<thead>
<tr>
<th>Europe</th>
<th>Japan</th>
<th>USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>• High level of coverage</td>
<td>• Low level of coverage</td>
<td>• Low level of coverage</td>
</tr>
<tr>
<td>• High level of professional involvement</td>
<td>• Less professional involvement</td>
<td>• High level of professional involvement</td>
</tr>
<tr>
<td>• No OTC/PSAPs for hearing loss</td>
<td>• Unregulated: allows OTC HA’s and PSAP hearing loss claims</td>
<td>• No OTCs/PSAPs not for hearing loss</td>
</tr>
</tbody>
</table>

**Result:**
- Europe: Best adoption rates
- Good satisfaction rates
- Japan: Worst adoption rates
- Worst satisfaction rates
- USA: Middling adoption rates
- Good satisfaction rates
Summary

- Hearing aids are readily accessible in Japan
- Do-it-yourself OTC and PSAPs sold for hearing loss
- Therefore, essential professional service is often skipped

CONCLUSION: Access does not equal adoption or good public health outcomes