Development of Awa Odori through the Indigo Industry

As the castle town of Tokushima grew, merchants began gathering in two districts, Uchimachi and Shinmachi. The Shinmachi River, which formed the border between the two, was a major waterway for the transportation of goods. This led to the birth of docks along the river. Houses were built with entrances facing both the street and the river, allowing the townspeople to easily load and unload goods on the boats. Indigo production was a major industry, and the indigo warehouses along the Shinmachi River became a symbol of the town's prosperity.

Tokushima's flourishing indigo trade supported the local dance festivals. The Awa Odori dance (named after Tokushima's old provincial title, Awa) likely has roots in Bon Odori, a form of folk dancing performed during the summer Bon Festival to welcome ancestral spirits home. It also may have been influenced by Furyu Odori, a kind of dance popular in the cities of Kyoto and Sakai (near Osaka). Participants dressed up in colorful costumes and performed lively dances accompanied by musical instruments.

During the Edo period (1603–1868), groups performed Kumi Odori, a style of ensemble dance with matching costumes and choreography, which was regulated by the town's officials. Due to the restrictions on Kumi Odori, various other dance types emerged. The most notable of these was Zomeki, a boisterous style in which performers took to the streets both night and day. This was the forerunner of the modern Awa Odori.