

Promote the Creation of Loyal Customers with Various Cards

Expand cardholders

Amid greatly changing consumer needs with diversified lifestyles, we are expected to understand our customers accurately and deeply and build and maintain strong relations with them. Daimaru Matsuzakaya Department Stores is working on “creating loyal customers” through the Customer Relationship Management (CRM) in an effort to continuously build relations with customers, enhance customer satisfaction, and then increase corporate value.

The Group issues various cards including credit cards such as Daimaru Matsuzakaya Card and reward cards for cash purchases such as Daimaru Matsuzakaya Point Card and runs various membership organizations including Bridal Circle and Daimaru Matsuzakaya Tomonokai. We take initiatives to encourage sign-up for these cards and membership organizations and acquire as many as new members (identifiable customers) as possible. As a result, the total number of cards issued by Daimaru Matsuzakaya Department Stores was more than 4.2 million as of the last day of February 2016.

Help build relations with customers

We not only invite customers to sign up for our cards and membership organizations but also analyze the purchase information of our cardholders and provide them with shopping and event information that suits their individual lifestyles to deepen relations with customers and enhance customer satisfaction. Daimaru Matsuzakaya Department Stores uses a

customer information system J-CIS to scientifically support staff who are working on “building relations with customers.” Since J-CIS is linked to MD information, we can get an early grip on the attributes of customers and changes in their purchase behavior based on information obtained at the point of sale. It also serves as an important infrastructure for staff to strengthen relations with customers.

Direct access to customers

In fiscal year 2008, as an effective promotional tool replacing newspaper advertisements and inserts to attract customers to its stores, Daimaru Matsuzakaya Department Stores launched email delivery service for its cardholders who registered their mobile phone email addresses. In addition, in fiscal year 2011, we launched a new service in which individual brands and shops provide information on their new arrivals and events directly to customers on request.

In May 2015, we integrated former reward cards for cash purchases Daimaru D Card and Matsuzakaya M Card as Daimaru Matsuzakaya Point Card and also renewed the design. The system was changed to ask customers to subscribe to an email newsletter when they “register online to use the card.” These initiatives enable us to directly approach more customers, and through the delivery of shopping and event information that suits the needs of individual customers, we are building relations with customers.

Expansion of *gaisho* customer base

In an effort to build a new department store model, we have striven to expand our customer base and the range of products while expanding the selection of big-ticket products including watches, jewelry and luxury brands, which have been its strengths. Thanks to the expansion of value-based consumption with a focus on value for money and the rise of relatively young and affluent class called the “new rich,” Daimaru Matsuzakaya Department Stores sales of big-ticket items including art works, kimono, jewelry and luxury brands continue to increase year on year since the middle of 2011.

Keeping up with these changes, we have promoted an initiative to “expand our *gaisho* customer base” since fiscal year 2013. We set up a “team dedicated to acquiring new accounts” in the *gaisho* units in individual areas and stores. While promoting initiatives to acquire more than 10,000 new *gaisho* customers every year, we issued credit cards with international brands for *gaisho* customers. They can be used in Daimaru and Matsuzakaya stores and other member stores as international cards and offer a lot of convenience including points accumulated according to the purchase made.

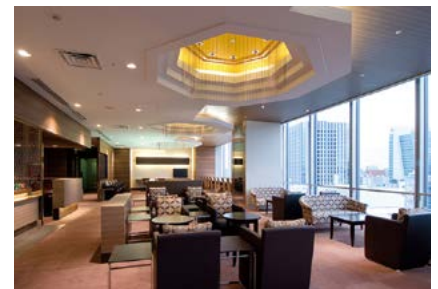
By issuing such various credit cards to increase loyal customers, we aim to boost sales of the Department Store Business. These cards also contribute to the growth of the Credit Business by offering the convenience of using them in a wide range of life situations.



Customer Counter, Daimaru Tokyo store



Bridal Salon, Matsuzakaya Nagoya store



D's Lounge Tokyo, Daimaru Tokyo store

