



Provide New Value Using ICT



“Lifetime Service Hub” plan

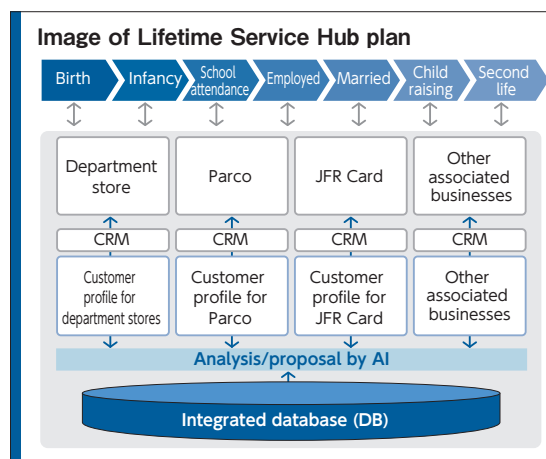
We are building a new customer base called “Lifetime Service Hub,” and by integrating the database of more than six million good customers owned by companies in the Group, we are creating systems to “strengthen lifetime engagement with customers.”

In the current era of the so-called “100-year life,” the lifetime value of each individual is increasing. In such a situation, we have many direct customer touch points through the provision of various products and services. It is a big advantage of the Group. With the progress of ICT, information gained through these touch points is becoming more and more important as a source for creating additional value. For this reason, we would like to create systems to “strengthen lifetime engagement with customers” through the Lifetime Service Hub. By doing this, we will collect and use not only “fixed information” such as customer attribute information and purchase information we have obtained so far but also “unfixed information” obtained through chat using strong relations with customers to understand customers more deeply than ever and enhance engagement dramatically.

Firstly, in this fiscal year, we will accumulate information collected from customers of our department stores in the new integrated database to enhance the value of customer assets as deepened information. In fiscal year 2020, we will expand this initiative into Parco and other companies in the Group to integrate and centralize the database as the Group. In addition, we will strive to upgrade information through accumulation of data such as conversation history and purchase history using new touch points including chat.

In the future, by adding experimental AI analysis

and with the “era of 100-year life” in mind, we will have more customer touch points than ever on various occasions and milestones all through life beginning with birth and create long and deep relations. And by doing this, we will expand opportunities to provide optimal products and services to alleviate customers’ “frustrations” and “concerns,” and furthermore, operate new businesses. Through these initiatives, we will provide new value as a “Multi Service Retailer” beyond the framework of retail.



Release of mobile app

With the progress of ICT technology, it is said that about 60% of individuals have smartphones and that more than 80% have mobile devices (mobile phones, PHS and smartphones). In this context, Daimaru Matsuzakaya Department Stores rebuilt customer strategy from the perspectives of “providing new customer experiences” and “upgrading sales activities” using digital technologies and released mobile app in 13 stores across Japan in May this year as part of initiative to further strengthen relations with customers.