



News

博報堂 広報室

HAKUHODO

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Hakuhodo partners with MKI in the digital transformation field to help companies move into the subscription business

Leveraging IT tools like the subscription management platform Zuora

Tokyo—November 16, 2017—Hakuhodo Inc. (Minato-ku, Tokyo; Masayuki Mizushima, President & CEO), Japan's second largest advertising agency, has concluded a partnership with Mitsui Knowledge Industry Co., Ltd. (MKI) (Minato-ku, Tokyo; Isao Kohiyama, CEO) to help companies make the digital transformation. The two firms will provide a full array of services to assist companies shift to a subscription model, from business consulting to developing and operating systems by leveraging IT tools like the subscription platform Zuora*.

Recently the subscription business model, in which a fee is charged for a service depending on the length of time it is accessed, has been spreading in many different sectors as part of a trend away from one-time purchase and ownership to recurring purchase and use. Adopting the subscription business model in line with this trend creates opportunities to build an ongoing relationship with clients and thus generate increased revenues, even for companies whose business model has until now focused on selling products for customers to own. The subscription model best suited to a specific company, however, varies depending on the nature of the product or service it offers and the environment in which it operates, including its target audience. Appropriate preparations and support are therefore needed during adoption.

Hakuhodo and MKI will recommend subscription business models to companies intending to offer subscriptions to their services. To that end they will pool their respective strengths: the expertise that Hakuhodo has built up in business consulting and digital marketing, and MKI's development experience and extensive portfolio of IT tools, especially the subscription platform Zuora.

Hakuhodo has to date offered numerous business consulting and digital marketing services in areas ranging from customer understanding to behavioral design and customer development. These couple the planning capabilities and unique creative flair that



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Hakuhodo has developed as a full-service agency with its *Sei-katsu-sha* Data Management Platform, which contains data made available by advances in digital technology on the real-time information and shopping behavior of *sei-katsu-sha* (Hakuhodo's term for consumers with a heartbeat), 365 days a year. MKI has, as the first authorized Zuora dealer in Japan, been promoting adoption of the platform by companies there; it also has extensive experience with installing SFA/CRM and core business systems, with which the subscription business platform needs to be coordinated. In partnership with MKI, Hakuhodo is now ready to provide more comprehensive support to companies entering the subscription business or otherwise making the digital transformation.

*For more information on Zuora see (in Japanese):

http://www.mki.co.jp/biz/solution/it_platform/zuora/index.html

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About Mitsui Knowledge Industry Co., Ltd. (MKI)

Mitsui Knowledge Industry Co., Ltd. (MKI) has for half a century provided customers with a wide array of IT-related services ranging from consulting to developing systems, building infrastructure, and operating and maintaining them. In April 2017, its tenth anniversary as a merged company, it established the Digital Transformation Center to offer innovative IT services enabling clients to create new business. By keeping constant track of the needs of the market and customers, and leveraging its accumulated technology and knowledge, MKI continues to work tirelessly to generate fresh business and deliver value to customers.

Website: <http://www.mki.co.jp/english/index.html>

■ About Hakuhodo

Founded in 1895, Hakuhodo is an integrated advertising and communication agency headquartered in Japan. The core agency of the Hakuhodo DY Group, Hakuhodo is the world's 6th largest advertising agency according to *Advertising Age's* "Agency Report 2017."



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The Hakuhodo Group has offices in 20 countries and regions, and over 10,000 specialists working in Japan and abroad. Hakuhodo is strengthening its structure in emerging countries, particularly those in Asia, as it prepares to further expand its business across the region.

Sei-katsu-sha insight is the foundation for Hakuhodo's thinking, planning, and brand building. It reminds us that consumers are more than shoppers performing an economic function. They have heartbeats. They are individuals with distinct lifestyles. Hakuhodo introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree perspective on consumers' lives.

Renowned for its creativity, Hakuhodo has twice won the Grand Prix at Cannes Lions International Festival of Creativity, and was the only agency headquartered in Asia to be awarded a Special Lion commemorating Cannes Lions' 50th anniversary in 2003.

To learn more, visit: www.hakuhodo-global.com



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