

Promotion of Group DX

Toward creation of new value which can only come from post offices through promotion of Group DX



IIDA Yasuhisa

Executive Officer
Japan Post Holdings Co., Ltd.

We believe that post offices are capable of providing fresh and incredible experience even more to customers. Our hope is to greatly expand the possibility through maximum use of the power of digital technology. We intend to realize the hope under the concept of “digital post offices.” JP Digital Co., Ltd. is a new company established on July 1, 2021, as a team to promote the realization of the “digital post offices” concept at an earlier stage.

What we are aspiring for are: First, we enable everyone in a wider variety of age groups and local communities to use post office services more easily and comfortably. They can access post offices anytime via personal computers and smartphones even if there is no physical post office nearby. A wide variety of services including postal, financial, and insurance services are available for use more smoothly through digital tools. We aspire to create a framework to do just that.

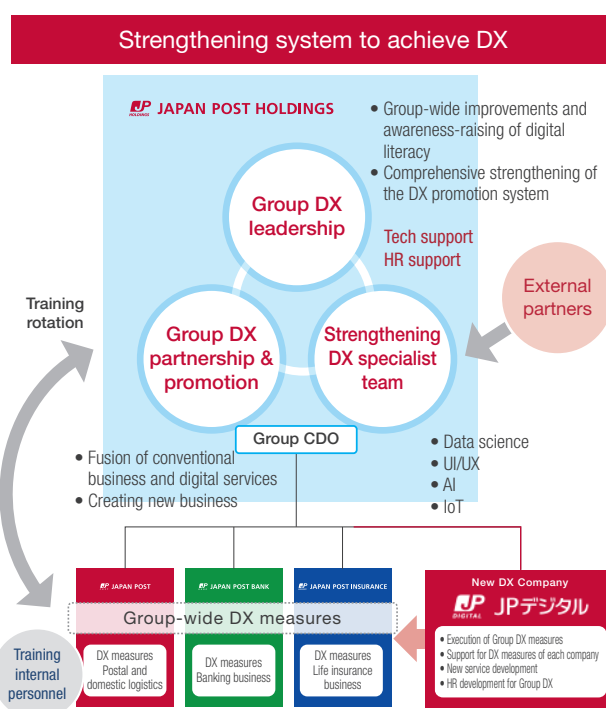
Second, we produce new service experience which can only come from post offices. Post offices should have a wider range of possibilities. We believe that completely new value is highly likely to come into existence in the digital domain through connection of and co-creation by various corporations, municipal governments, academic institutions, and people.

To this date, post offices have continued creating services which are devised from the point of view of ordinary citizens and are helpful to them. Now, we are placing even more focus on that spirit to realize completely new “future post offices” which combine the power of physical post offices and the power of cutting-edge digital technology.

Creating a foundation for Group DX (Investment, security, responding to the digital divide, and strengthening of our systems)

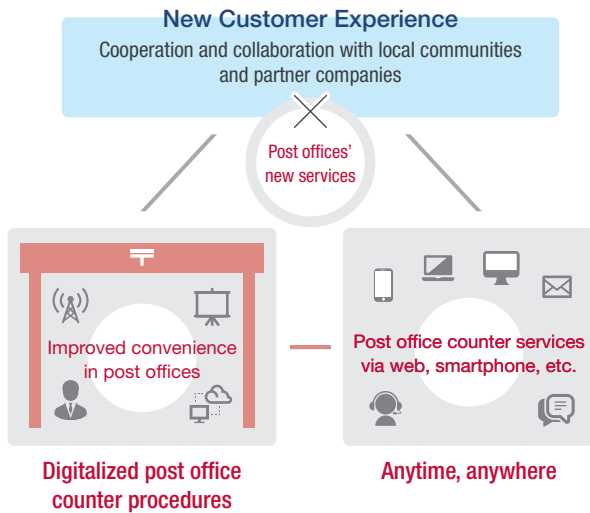
Strategic IT investments		
Investment	Initiative details	Amount*
Data-driven reform of postal and domestic logistics business	P-DX promotion • More convenient services for sending and receiving parcels • More efficient operations	Approx. 180 billion yen
Enhancing high-quality digital financial services with safety and peace of mind as our top priorities	Enhancing digital services • Security measures, fraud prevention • Expanded Bankbook App functions • Digitalization of customer contact points	Approx. 230 billion yen
Fusion of a network of physical post offices with digital post offices	Co-creation platform • Group customer data foundation • Working with partners • Data analysis/AI utilization • Smartphone app (Group platform app)	Approx. 10 billion yen
	Digitalization of post office operations • Use of tablets, digitalization of procedures • Boosting consulting services • Responses to the digital divide	Approx. 10 billion yen

* Includes non-personnel expenses related to strategic IT in addition to the investment component of financial accounting.



Toward the realization of the “digital post office” concept

“Digital post office” image



The Japan Post Group will make a group-wide effort to promote digital transformation (DX) toward the realization of the concept of new “digital post offices.”

“Digital post offices” provide customers with more easy and convenient access to various experiences in post offices through use of digital technology, with a primary focus on perspectives of customers. In addition, digital post offices will be designed to provide customer counter services equivalent to those of physical post offices accessible “anytime” and “anywhere” through smartphones, websites, etc., even when customers are outside of post offices. Furthermore, “digital post offices” will strive to co-create new value in proactive collaboration with local communities and partner corporations so as to meet diverse needs of customers promptly.

With the support from inside and outside of the Group in terms of human resources, JP Digital Co., Ltd., established on July 1, 2021,

Establishment of a new DX company (JP Digital)



Company name	JP Digital Co., Ltd.
Establishment date	July 1, 2021 (Start of operations scheduled for August 2021)
Location	3-1, Otemachi 2-chome, Chiyoda-ku, Tokyo 100-0004, Japan
Capital (Investment ratio)	60 million yen (Japan Post Holdings Co., Ltd. 100%)

brought specialists in the fields of data, AI, UI/UX, digital marketing, etc., together. DX and human resource development departments at JP Digital will lead group-wide and cross-functional DX initiatives and develop DX human resources.

We believe that the establishment of a safe and secure environment, such as strengthening of cyber security measures, and the promotion of sustainability (initiatives toward SDGs), such as reduction of CO₂ emissions, are highly important perspectives in promoting such new initiatives in the digital domain.

The combination of “digital post offices” which make post office services available “anytime, anywhere” and the network of approximately 24,000 “reliable and trustworthy” physical post offices, together with external partners, gives birth to services truly beneficial for customers and local communities. We aim to realize such a “Co-creation Platform.”

Expanded use of data

